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FRACTIONAL CURRENCY COLLECTOR'S BOARD

July 1993 Newsletter

Sorry for the delay in getting this Newsletter on the way to you, but I was waiting for the offer covering CSA watermarked paper that you will find as attachment #19. Our Annual Meeting at Memphis was well attended and the attached Secretary's report will cover the details. My personal thanks to Benny Bolin for his offer to accept the editorship of THE FCCB NEWSLETTER in 1995. I will continue as Editor until Benny takes over. The discussion of the proposed "Simplified Edition" of the ENCYCLOPEDIA was very thorough and I am particularly grateful to Rocky Rockholt for taking the time to send a most helpful critique based on a beginner's viewpoint. (Aside to Rocky, practically every one of your thoughts has been implemented in the current revision!)

The attachments to this Newsletter are many. With the Summer months upon us, I thought you might enjoy a supply of reading material. This guide to the attachments should help in understanding the reason for each one:-

- 1) Latest membership list of our current 135 members. Member Chris Clayton has disappeared and mail addressed to him is returned with his Salt Lake City address just crossed out. If you have contact with him, please let me know his correct address.
- 2) A prompt and very well done complete set of Minutes of our annual meeting as submitted by Secretary Howard Cohen the second day after the Convention.
- 3) An article from BOSTON, INC. discussing Crane & Company, the primary source of currency paper to the Bureau of Engraving & Printing. Just thought that the information might add to your store of knowledge regarding the paper making process...
- 4) Most of you knew and were aware of the vast store of knowledge that was contained in the memory and writings of the late Walter Breen. Walter helped start me on my path of research and I was privileged to help in some of his writings. In 1972, when our store of knowledge of the history of Fractional Currency was very small, Walter wrote a series of articles for the NUMISMATIC NEWS WEEKLY. My files contain both a copy of his original manuscripts and the aging copies of the published articles. I have described them as "aging" since much of the information has either been verified or revised since the date of the writing and the newsprint is beginning to crumble. I have reproduced them by reducing the newspaper page to 8 1/2 x 11" by photocopying. Unfortunately, that makes them hard to read with the naked eye, but a magnifying glass will help considerably! To the best of my knowledge these articles were the extent of Walter's writings concerning Fractional except for the catalog descriptions he did for various dealers.
- 5) L.D. Mitchell, Forum Manager of the National Videotex Network, sent me a copy of an FCCB Membership Application downloaded from the Network. He also attached a copy of his business card which you will find reproduced on the back of the downloaded application. To our computer buff members, this may be the way to go!

- 6) Pages 118 and 119 of THE ESSAY PROOF JOURNAL #147 contained an article by the late Dr. Glenn Jackson covering "Postage Currency". They are reproduced for your files.
- 7) Copies of the Hazeltine Sale of 3/16/1881 are reproduced for the benefit of our research members.
- 8) The Steigerwalt's 18th Sale of 12/22/1883 reproduction is a matching item to #7 above.
- 9) COIN WORLD on 4/5/1993 reported on the Sale of The Halpern Sale which included Fractional Currency.
- 10) PAPER MONEY Number 28 carried one of my articles on Fractional. It is reproduced for your files.
- 11) Recent questions have covered the oft repeated discussions concerning the First issue 50c perforated 14 (1R50.3d). In PAPER MONEY #105 appeared my article covering the subject which is reproduced.
- 12) Brent Hughes wrote a comprehensive article on Fractional Currency Shields which appeared in Issue #41 of PAPER MONEY.
- 13) While doing some research at the Historical Resources Section of the B.E.P., the Curator, Cecilia Hatfield, gave me a copy of a letter dated 2/23/1883 which clearly shows that "Proofs" were sold directly to the public by the Bureau. The letter is reproduced for your information.
- 14) A article complimentary to member Rocky Rockholt appeared in COIN WORLD May 17, 1993. Congratulations!
- 15) PAPER MONEY #165 had an article by Bob Cochran on "Cranky Tom" Hale, counterfeiter. Since much of his counterfeiting was in our field of interest, the attached article should catch your attention.
- 16) A brochure/membership application to the Society of Paper Money Collectors is attached. You might want to join them directly and get your copies of the apropos articles first hand!
- 17) An article concerning "Freedom" appeared in Linn's Stamp News on 5/31/1993. Since the Freedom Statue also appears on Fractional Currency, you might find the article worth reading.
- 18) Ross K. Baker's article in the SMITHSONIAN magazine of July 1977 is an interesting writeup of the history of the Bureau's women's employment.
- 19) FCCB President Doug Hales and M.Gengerke have provided an opportunity to procure sheets of "CSA" watermarked paper. Their offer is attached.

Unless there is a major item of interest, the next NEWSLETTER will be out sometime in the Fall. How about sending me some information to include?

Enjoy the Summer....Milt.

Minutes
Fractional Currency Collectors Board
Annual Meeting - 1993

The 1993 Annual Meeting of the Fractional Currency Collectors Board (FCCB) was called to order at 2:00 P.M., June 19, 1993, President Doug Hales presiding, with Vice-President Milt Friedberg attendant. The location of the meeting was the Holiday Inn Crowne Plaza Hotel, Memphis, Tennessee. The FCCB 1993 Annual Meeting was scheduled during the 1993 International Paper Money Show. Attendance totaled twenty-three (23) members and guests at the start of the meeting.

President Doug Hales noted that this was the 10th anniversary of the formation of the FCCB. The FCCB started with twenty (20) members, "some of whom are still around", as Pres. Hale noted. The FCCB is informally structured, with all officers being volunteers. If any member wishes to be an officer, volunteering for a position may well get that person the office. Current officers are: President: Doug Hales; Vice-President, Newsletter Editor, and indispensable Plenipotentiary: Milt Friedberg; Treasurer: Dr. Wally Lee; Membership Secretary: Benny Bolin; ANA Liaison: Martin Gengerke.

Vice-President Milt Friedberg had indicated his intent to resign his Vice-Presidency and Editorship of the Newsletter, effective June 20, 1993, and had noted that volunteer(s) would be needed to assume these positions. At the meeting, Vice-President Friedberg said that he had received a kind letter from a member, who indicated he would assume the positions. However, family and other responsibilities prevented this member from assuming these positions until two to three years in the future. Vice-President Friedberg noted the excellence of this member and stated that he, Milt Friedberg, would continue in his positions until this member can assume them.

In the absence of Treasurer Lee, Milt Friedberg stated that the FCCB had incurred expenses, during the year, of US\$581.78. There is a current balance of US\$1,587.88.

At arrival in Memphis, VP Friedberg indicated that there were 130 active, dues paying members. In addition, Membership Secretary Benny Bolin had provided the names of three (3) new members.

ANA Liaison Martin Gengerke stated that there were no, new developments.

President Hales noted that there were two (2) items of old business: the "Beginner's Handbook" and the Fractional Currency Collector's boxes. President Hales indicated that the "handbook" would be the topic of discussion later in the program of the meeting. The collector's boxes will be sent, by the manufacturer, in the first week in July. (Delay has been due to new, environmental restrictions in the area of manufacture, related to chemicals used in finishing the product). Suggestions for the next, collector box will be solicited in future mailings.

Under new business, two topics for future meeting programs were suggested: (1) Counterfeits and Altered Notes, and (2) Display and Storage. It was agreed that the former topic would be the program for the 1994 Meeting, and the latter for the 1995 Meeting.

Under "New Finds", John and Nancy Wilson announced that they had just acquired

several interesting documents. Two documents, signed by Francis Spinner, related to the purchase and payment of a specimen set of fractional currency. Additionally, there were envelopes indicating quantities of currency produced. All documents appeared to be retained by a 19th Century collector. Under "Old Finds", Howard Cohen stated that he had purchased four (4) notes, originally from the Boyd collection, in a recent auction sale. (The Wilsons's and Cohen's materials were made available for inspection by members after the meeting.) Martin Gengerke announced that the exceptional Korin collection will be auctioned by Stack's in September.

John Wilson presented the 1993 awards for the Fractional Currency Exhibits at the Memphis Show. (The awards are generously donated by Len and Jean Glazer. Martin Delger, exhibition chairman, further is responsible for the plaques presented to all exhibitors.) The 3rd Place award was given to Bill Brandimore for "Spinner Mania". The 2nd Place award was given to Milt Friedberg for "Postage Currency: August 21, 1862 - May 27, 1863". The 1st Place award was presented to Doug Hales for "Fractional Currency - Examples of Pairs, Blocks, Strips, and Sheets". (Scribe's note: Each year, there are exceptional exhibits of Fractional & Postal Currency at the Memphis Show. Even those exhibits that do not "win" an award are outstanding. The exhibits themselves warrant a trip to the Memphis Show.)

Milt Friedberg distributed, for review at the show only, his Simplified Edition 1993 - The Encyclopedia of United States Fractional & Postal Currency. Mr. Friedberg mentioned that the idea for a "Beginner's Handbook" was put forth several years ago by Mike Marchioni. Since that time, there has been numerous writes and rewrites by Milt. He mentioned that there were several reference works for collectors - Rothert, Valentine, Friedberg's U.S. Paper Money, and Milt Friedberg's The Encyclopedia of United States Fractional & Postal Currency. He asked for beginning collectors in attendance to indicate which references they use and to mention any difficulties they had in using The Encyclopedia of United States Fractional & Postal Currency.

Several collectors indicated that they use U.S. Paper Money as a reference because it saves time. When they want details, they use The Encyclopedia of United States Fractional & Postal Currency. Others indicated that The Encyclopedia of United States Fractional & Postal Currency was used often as a primary source.

Milt stated it was his belief that the two most prominent factors which inhibited wider use of The Encyclopedia of United States Fractional & Postal Currency were its numbering system and the general familiarity with the simpler system used in U.S. Paper Money. In the Simplified Edition, Milt foregoes the listing of the many varieties of each note and, simply, lists each "common" note with its Milt Friedberg number and matches it to the U.S. Paper Money number. As collectors advance, they can use the The Encyclopedia of United States Fractional & Postal Currency as their more detailed reference. Milt expects that the Simplified Edition will be published in the near future.

The meeting was adjourned.

Money Maker



GILDER TOM GARVEY AT CRANE & COMPANY.

**Crane & Company has been the primary supplier
of currency paper for Uncle Sam since 1879.**

It's not about to stop now.

BY GREGORY SANDLER

IF MONEY IS THE ROOT of all evil, don't go telling the Crane family about it. They've been producing currency paper ever since Paul Revere printed the first independent bank notes issued by the rebel colonies.

Crane & Company is a true rags-to-riches story. The Crane forefathers first plied their trade at the Milton Paper Mill, which thrived in what is now part of Boston. That's where, in 1775, Stephen Crane whipped up a batch of currency paper for the Midnight Rider. Crane's son Zenas later moved to the Berkshires and set up shop in Dalton in 1801.

Not long after Zenas Crane settled in what was then the western frontier, he put out a call for area housewives to save their rags. Today, Crane & Company is a leader in the 100-percent-cotton-fiber paper industry. And rags, now usually by-products of modern textile operations, still constitute the bulk of the company's raw materials. First brewed as a pulpy cotton soup, the rags eventually turn into the nation's money,

as well as some of the finest and most durable stationery made.

Although the company, family-owned for seven generations, isn't shy about most of its paper products, it tries to keep a low profile about its role as the nation's money maker. Despite being the sole supplier of currency paper to the government—or perhaps because of it—Crane officials are reluctant to discuss the money-making process. "That's not a part of the business we like to talk about," says Thomas White, the company's president and chief executive officer. (The 47-year-old Harvard Business School graduate is only the second non-family member to have occupied the company's modest executive suite.)

Among Crane's weathered red-brick mills nestled along the banks of the Housatonic River in Dalton, the one where currency paper is made, the Waconah Mill, is actually a small fortress—with bulletproof windows, security cameras, entry checkpoints, and round-the-clock protection. It's easier for a

Boston, inc.

reporter to get into the White House than to gain entry there. Access is strictly limited, and workers must receive FBI clearance.

Crane has been the primary supplier of currency paper for Uncle Sam since 1879. In his admiring biography *W. Murray Crane: A Man and Brother*, Solomon Bulkley Griffin relates that in that year, Treasury secretary John Sherman called for bids for the supply of currency paper. It seems that after a decade of rising prices charged by another company, Sherman thought the government could get a better deal.

W. Murray Crane, who later became a Republican party boss and served as governor of Massachusetts and as a U.S. senator, was dispatched to Washington at the age of 26 to bid on the currency contract. His first bid was too high. But in those days, bids weren't sealed, and word of the bid amounts leaked out before the deadline arrived. An hour before the deadline, Crane excused himself from a gathering of paper-industry colleagues, ran to the Treasury Department, and put in the low bid that won the contract. The bid prevailed despite both a legal challenge by competitors and subsequent congressional hearings.

THE CURRENCY PAPER PRODUCED BY Crane in 1879 contained parallel silk threads as an anticounterfeiting measure. The company had pioneered the development of threaded security paper for use by banks in 1844. (In those days, individual banks could still issue legal tender.) That early bank-note paper had one horizontal silk thread for every dollar represented by the bill: one for a \$1 bill, two for a \$2 bill, and so on.

Now, with its latest innovation, the company has come full circle. In 1991, Crane won a four-year, \$66.3-million contract to supply the Bureau of Engraving and Printing (BEP) with a new security-enhanced currency paper. The high-tech bucks feature, to the left of the Federal Reserve seal, a single vertical polyester thread imprinted with the denomination of the bill. For example, threads on \$100 bills are imprinted "USA 100." When a bill is held up to the light, the security strip can be read with the naked eye.

Federal officials hope this reflective thread will make it easier to distinguish between funny money and the real thing, because color copy machines are color-blind when it comes to reproducing the thread. The new security feature is intended to deter counterfeiters, who in recent years have been able to bleach out the printing on \$1 bills and reproduce them with higher values on color copy machines.

The new currency paper began to be

used in late 1991 for the production of \$50 and \$100 bills. Within three years, smaller denominations will also get the new threads. Only \$1 bills—which will no longer be worth trying to counterfeit—will remain threadless. And, for the time being, anyway, counterfeiters are unlikely to be able to duplicate the new security measures to create bills with higher denominations.

As the old-style bills wear out, they will be replaced. But there are no plans for a recall of the estimated \$256 billion currently in circulation worldwide.

In addition to copyproof threads, the newfangled currency bears the microprinted words *The United States of America* around the portrait on the face of the bills. But without a magnifying glass, the tiny printing looks like a jagged line. Before these innovations, the last major changes in U.S. greenbacks were in 1929, when the Federal Reserve notes were made smaller and uniform designs were adopted for each denomination, and in 1957, when the words *In God We Trust* were added.

Crane hasn't shared a currency contract since the early seventies and isn't likely to share one anytime soon. Nevertheless, federal officials maintain that the procurement process is open. "Other companies have looked into making currency paper," says Thomas A. Ferguson, the BEP's assistant director for research and development. "But the incumbent supplier almost always has an advantage because they're already in the business." And Crane has of course sharpened its competitive edge after having spent more than \$20 million to develop the technology and infrastructure for production of the new threaded currency paper.

Thirty percent of Crane's approximately \$140 million in revenue last year came from the sale of security paper—not only the paper made for use as U.S. currency but also that used for foreign currency and documents such as stock certificates, traveler's checks, and passports. One of Crane's oldest customers was the American Bank Note Company, which was acquired by U.S. Bank Note in 1990. On its own and through U.S. Bank Note, Crane has exported paper for use in at least four dozen foreign currencies, including Mexico's and China's.

CRANE OFFICIALS CLAIM THEIR company has not had a security breach in the 114 years since it first won the federal currency contract. "People are committed to making this a secure operation," says president White.

With roughly 1,000 workers, Crane is one of the largest employers in Berkshire County, and it has an extremely stable

work force that seems to recognize the company's importance to the region's shaky economy. Generous benefits packages and a profit-sharing plan are among the perks that keep turnover low at Crane. It's not unusual to find employees whose families have worked in the mills for generations. James Manning, now director of human resources and public relations, started out in the mills 30 years ago. His father, who was director of purchasing, spent 50 years with the company.

The top-ranking old-timer at Crane, 71-year-old Charlie DeAngelus, is also a second-generation employee. Now a senior supervisor and in-house safety coordinator, DeAngelus has seen technology improve working conditions and make once-labor-intensive tasks easier. "The hardest job I ever had was digging wet stock out of the washers and dumping it into the drainers," he says. Today that job, like many others, has been automated.

DeAngelus says steady work and competitive wages have fostered employee loyalty and kept labor unions out of the mills. Of course, he has personal reasons for feeling good about his employer. After he was first married, DeAngelus lived in a 7-room house owned by the Cranes. For 20 years he paid the paltry sum of \$18 a month in rent. Then, in the late fifties, he bought a 10-room house from the Cranes for \$3,500. Crane & Company once owned scores of rental properties in Dalton. But most of those houses, in the western section of Dalton known locally as Craneville, were gradually sold—many of them to company employees like DeAngelus.

Several of the stately Crane mansions—built along tree-lined Main Street, across from the mills—are still in the family. One estate, known as Model Farm, was donated to Berkshire Medical Center in 1980 and is now on the market for \$1 million.

As the Cranes' assets grew over the years, the community shared in the wealth. Crane philanthropy has left its mark on much of Berkshire County. In 1991, 82-year-old Winthrop Crane III gave \$1 million to the Berkshire Museum—originally built with Crane funding—to help kick off a \$3-million endowment campaign. Over the years, family members have supported many institutions, including the Dalton Community House (a recreational center) and the Pittsfield Boys and Girls Club.

WHEN IT COMES TO PAPER, CRANE enjoys a reputation for quality, and its papers are found in many of the nation's most exclusive shops. Tiffany & Company, for example, is one of Crane's oldest customers. "Find me a company in Europe or America that can make

paper as nicely at a competitive price," says Dina L. Clayson, Tiffany's senior buyer for stationery. "Nobody else in America comes close. We've bought paper in Europe; but our customers always want Crane paper."

Crane's focus on quality starts in the mills, where the company's stationery products are still detailed by hand. Workers meticulously brush colored borders onto cards and invitations. And, tucked away in one upstairs corner of an old mill, artisans carefully apply 23-karat gold leaf to an exclusive line of gilded place cards and invitations.

Overall, Crane's social-correspondence and announcement papers, along with its engraving operations, account for about 30 percent of the company's business. Commercial bond papers used for business-letterhead and high-quality engraving ac-

many years was an important part of Crane's business.

Along the way, the company developed tracing paper, imitation parchment for diplomas, thin (but strong) paper for Bibles, and even glass-based papers for food packaging and electrical insulation.

Although the company has been managed since 1976 by nonfamily CEOs, a board of directors controlled by the family still holds the reins. Five seventh-generation Cranes are still active in day-to-day operations; three of them are working their way up the management ladder.

One throwback to Crane & Company's paternalistic roots is the lack of Crane women in the ranks. Although there is currently one Crane woman on the board of directors, there have never been any in management positions. Davis Crane Greene, the first female board member, says she was "thrust" onto the board two years ago to represent her father's side of the family. Her father, Bruce Crane, was president and chairman of the company from 1951 to 1975. Before becoming a board member, Greene, who lives in Dover, had no direct involvement in the company.

But none of Greene's six children, including her three daughters, have shown much interest in the company. The natural tendency, she says, is for the offspring of family members who stayed in the Dalton area to be more interested in the company than are the children of members who moved away. One of the Dalton Cranes is David, the unassuming 34-year-old president of Crane's Excelsior Printing Company subsidiary, in North Adams. But he says being a Crane is not enough to ensure upward mobility or to guarantee how fast or high one can move up the ladder. "The way the company is run now," he says, "it really tries to reward the people who perform the best."

Crane says participating in the family business has never been a sure thing for family members. "For a long time, family members were discouraged from coming into the company. The way my father put it, you had to fight to get in here. But the company is past the point where there is a lot of family treading on each other's toes. There's a lot of opportunity, and there really isn't any conflict."

Crane & Company's survival is exceptional in an age when many longtime family businesses are fast disappearing into the black hole of corporate America. What the next two centuries hold for the Cranes remains to be seen. But with new family blood coursing through the company's veins, it's a safe bet that these Berkshire County alchemists will be transforming rags into money far into the twenty-first century. □

In the 1870s, Crane developed combustible paper to wrap the shells used in Winchester rifles.

count for another 20 percent. (According to company lore, the generic term *bond paper* was coined by a Crane customer who once reordered security paper by asking for "more of that bond paper.") The balance of Crane's revenues comes from sales of tracing paper, of glass and other nonwoven specialty papers, and from a commercial-printing subsidiary. Companies such as Nynex and Beatrice have used Crane paper for archival-quality letterheads.

THROUGH THE YEARS, CRANE HAS jumped on a number of economic bandwagons in order to make it through slow money-making times. Following the Civil War, which battered the U.S. economy, Crane entered the fashion business. The company developed a stiff paper to capitalize on a postwar fad for paper collars for men's shirts. For a brief time, one of the Crane mills did nothing but produce shirt collars.

In the 1870s, Crane contributed to the U.S. effort to "win the West" by developing a thin and highly combustible paper wrapping for the repeater shells used in the Winchester rifle. The "bullet patch" paper not only pleased the Winchester Arms Company but also helped the papermaker through a rough economic period.

During the Depression, Crane even made cigarette paper. That project was short-lived, but it led to the development of a strong stock of carbon paper that for

'Shinplasters' Poor Medicine For Young Nation's Money Ills

... by Walter Breen

Originally, the term "shin-plaster" came from folk medicine; people too poor to afford the latest patent nostrums used small strips of brown paper soaked in vinegar, tar, tobacco juice or the like, as poultices for leg or ankle sores, or occasionally, to drive off lice or other parasites. Clearly, paper to be used for such purposes was not thought to have much intrinsic value.

For much the same reason, the epithet was applied as early as 1837's financial panic to unbacked paper currency of nominal value—from 1 cent to 87½ cents, rarely \$1 or more. Collectors have long been familiar with the copper, centralized hard times tokens reading, "Substitute for Shin Plasters." (Some authorities say the term was in use as early as 1812, or even the 1780's, but documentation is lacking.) Most such notes were technically scrip, not redeemable in anything but other paper currencies; thus doubly removed from gold or silver, for which all paper currency was regarded as an undesirable though sometimes necessary substitute.

Clearly, only a major emergency would have induced the federal government to contemplate the issue of anything of the kind, without at least sixty or seventy shudders—not to mention congressional objections on grounds of unconstitutionality. Yet just such an emergency did arise at the end of December, 1861, when the New York City banks suspended specie payments (as in May, 1837) and all kinds of coins promptly vanished from circulation, despite all the mint could do to increase output. Private individuals began issuing cent-size tokens of bronze or copper; cities, banks, merchants and private individuals also printed and circulated shinplasters in thousands of varieties.

Sometime during the spring of 1862, it developed that people in various East Coast cities began to use postage stamps—individually or in blocks or strips—as currency. Naturally, this had two consequences: the stamps quickly became sticky, filthy messes unfit for postal use and the postoffices from Boston to Washington, D.C. ran out of stamps for postal use. During one three-month period, over 450 million 5 cent stamps were printed and issued to post offices in these states—formerly enough to cover a year's demand with plenty left over. Yet the clamor for more stamps was heard daily. One John Gaul (the real answer to Ayn Rand's question) invented and patented a kind of round, brass case with mica window to show the denomination of the stamp it enclosed, of quarter dollar size for accommodating merchants' advertisements on back, while passing as currency. But his encased postage appears to have been circulated in far too small quantity to relieve the shortage. (For one thing, he could not get enough stamps for his purposes.) Nothing else was available for small change except irredeemable tokens and

equally irredeemable shinplasters.

General Francis E. Spinner (then treasurer of the United States), learning of the use of stamps for currency, decided to do something constructive. He experimented with pasting stamps on cards either affixing his signature or having the cards bear a Treasury Department imprint of some kind. Several essays of this sort still survive, the first ones reading "Postage Stamps" at top, some with the word "Stamps" penciled out and "Currency" substituted above.



Enclosed in brass holders with mica faces, stamps passed for small change and afforded the added bonus of a circulating business advertisement.

(Cf. Henry Chapman's auction, Jan. 26, 1915, lot 531, containing sets of essays of both types.)

It became evident almost immediately that Spinner could not personally sign enough postage cards to make even a slight impression on the coin shortage. From pasted-on stamps to engraved and printed facsimiles on scrip, labeled "Postage Currency," was a small step, and Spinner decided to take it. Congress was enough impressed by the need of some kind of substitute for private tokens and private scrip, that (despite its unconstitutionality) the postage currency bill became law as the Act of July 17, 1862.

This act forbade any further issue of notes below \$1 face value to be issued by private corporations, banks, or individuals—penalty \$200 or up to six months' imprisonment for each offense. As there was no mention of note issues by cities, this loophole was promptly entered, and many municipalities continued to issue scrip, as did some business colleges (the latter alleging restricted intramural use for educational purposes, rather than general circulation).

The Treasury Department negotiated contracts with the National Bank Note Company of New York City to furnish plates

for sheets of notes of 5 cents, 10 cents, 25 cents and 50 cents denominations—the regular small silver denominations, minus the dime. The same firm was also to print the notes for shipment to the Treasury. This work was done in great haste, the first notes being issued during the last week of August, 1862. At some time during the next few months—I have as yet been unable to ascertain the date of action) Treasury authorities became worried about possible abuses from this monopoly, and renegotiated contracts with both the National Bank Note Company and American Bank Note Company, such that thereafter ABN would have the task of furnishing paper, making reverse plates and printing the backs, while NBN would furnish obverse plates and print the faces. Notes issued after this renegotiation show the ABNCo monogram in the lower right reverse field, except for the uniface specimens and proofs made and sold at the Treasury's Currency Bureau (later known as the Bureau of Engraving and Printing).

Shortly before this time, and largely to ease the task of trimming and separating sheets into individual notes, the experiment was tried of insulating the sheets with perforations between subjects, like postage stamp sheets of today. Immediate objections were raised, largely that the sheets tended to come apart on normal handling, and notes became tattered even more quickly than did the normal straight or cut edge type. Perforation was abandoned almost at once, accounting for the rarity of per-



Ten-cent Washington stamp on first issue denomination, with straight edges and no monogram.



forated notes, and particularly of perforated ones with ABNCo monogram. Unfortunately, neither the exact period nor the amounts of issue have been ascertainable, so that the amounts reported as printed of each denomination include both those printed by NBN and those printed by ABN. However, the above historical circumstances enable us to say with certainty that the true order of manufacture and issue for postage currency notes in each denomination was (1) no monogram, straight edge, (2) no monogram, perforated, (3) with ABNCo, perforated, and (4) with ABNCo, straight edge.

These notes are generally called First Issue Fractional Currency, but the correct designation in Treasury records was Postage Currency, or sometimes Postal Currency. These were the only notes which bore for device engraved facsimiles of stamps.

Perforations were—with the exception of one (experimental?) sheet of 50 cent by ABNCo—always of the size and interval generally called by philatelists "Perf. 12", i.e., 12 perforations in each 20 mm. Fraudulent perforations are known, generally too large and irregular. George H. Blake ("United States Paper Money, 1906") listed as his

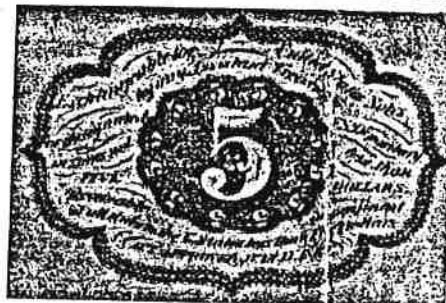
specialist as well as from some articles he has published in "Paper Money," the Society of Paper Money Collectors official organ, but he is not to be held responsible for my conclusions.

The 10 cent and 50 cent postage currency notes were printed on several grades of bond or banknote paper, varying in thickness and in color, from thin, creamy white to thicker, grayish, the latter with many fine fibre inclusions; batches of each kind of paper appear to have been used on both NBN and ABN issues. Inks for face printing vary from light, yellow-green through teal-green to blue-green. Color differences are obscured by aging.

Postage currency notes were issued until about May 27, 1863, pursuant to Section 4 of the Act of March 3, 1863, which effectively ended this curious experiment as of the later date.

The 5 cent notes issued under the 1862 act have for device a copy of the 1861 5 cent stamp; the word "Cents" appears only as a part of the stamp design, and the notes themselves state only that they are receivable for postage stamps or exchangeable for United States notes (i.e., legal tenders) at the office of any assistant treasurer, when presented in sums of \$5 or less. Altogether 44,857,780 notes of the postal 5 cent were released,

(Breen, Page 11)



First issue postage currency, worth five cents, issued under Act of July 17, 1862. Specimen is straight edge type with no reverse monogram.

New Looks at Old Notes . . . Part II

Design the Same, but Colors Vary
On Second Issue Fractional Notes

. . . by Walter Breen

We know more of the circumstances of issue of the first fractional currency notes—those issued with bronze ovals around the Washington portrait, under the Act of March 3, 1863. All four denominations, 5 cent, 10 cent, 25 cent and 50 cent, were of a single design, showing on the face one of the standard Washington portraits, and for background a dock scene by James Guthrie of the Currency Bureau; the backs show an eagle atop a shield containing the numeral corresponding to denomination, designed by George W. Casilear, afterwards head of the Currency Bureau.

Issue began sometime in October, 1863, and continued until March 1, 1865. Though commonly referred to as Second Issue Fractionals, they were officially called either "Old Fractionals" or—less often—"First Issue Fractionals." They were printed in larger quantities than the postage currency, and counterfeited in even larger quantities. At least ten different types of paper were used, regularly or experimentally, in attempts to safeguard these notes from counterfeiting. Some notes—including one or more uncut sheets—are found with autographs of later treasury officials such as John Burke. These are not listed here, as the series is endless and the autographs were unofficially done in later years.

Backs of some notes bear corner surcharges in addition to the standard outlined numeral in the center corresponding to the denomination. Some notes intended to show 18 at lower left and 63 at lower right were issued with these surcharges blurry or occasionally partly missing. They are not intentional varieties, but freaks, somewhat like modern notes issued with missing seals or signatures or serial numbers.

The earliest notes of Second Issue are apparently those printed on "membrane" or "spider-leg" paper, which consisted of pairs of tissue-thin sheets bonded together in such a way as to enclose scattered long fibers of slightly darker color. This was an invention of Dr. Shurt Gwynn. It was abandoned because the notes printed on it turned out to be far more liable to split than were any previous ones, accounting for the rarity of choice examples. "Membrane" paper is now more familiarly known as fiber paper, but this obscures the fact that many later and some earlier types of banknote paper had inclusions of scattered fibers, and it also blurs the recognition that (as Valentine says) at least ten different kinds of paper were being experimented with during the 1863-64 period. Most of these proved unsatisfactory in one or another manner, either because they were liable to split or because they took up printing inks irregularly when pressed into intaglio plates.

The reason for all this treasury anxiety over the type of paper was twofold. Department al-

lenation had lately been directed to a large number of counterfeiters of postage currency. In addition, Spencer M. Clark has discovered that the department was paying the National and American Bank Note Companies \$22.50 per thousand sheets for paper inferior to other bank note paper available on the open market for \$12 per thousand.

Dr. Gwynn was later arrested under mysterious circumstances, held in jail for thirty days without trial, then released without any charges having been filed. He then told treasury officials that they had seen the last of him and his inventions. As a result, the treasury used up its stock of membrane and other fiber papers early in 1865, reverting to bank note paper, and the counterfeiters continued to multiply.

Of the second issue 5 cent, issued between about October 10, 1863, and March 1, 1865, some 55,896,522 were printed, for the most part from 20-subject plates, though there were a few 25- and 50-subject plates as well. It is not possible in general to tell if any given note is from one of the 25- or 50-subject plates. Altogether (according to Martin Gengerke's unpublished researches at the bureau, 46 face plates and 38 back plates were used, aside from two pairs for wide margin proofs. (These and other uniface specimens will be dealt with in a later installment.)

The first 5 cent made were on "membrane" or fiber paper, surcharged R-1-18-63 on backs (F-1235). Altogether (through Oct. 1, 1864), 11,587 were printed on this type paper. At least one uncut sheet is rumored to exist, but I have not been able to con-

firm it. In the C.H. Bechtel sale, Nov. 16, 1878, lot 61 included one of this variety, but lacking the bronze oval.

Limpert B50 is described as a mule, a 5 cent obverse with 50 cent reverse on this kind of fiber paper. Most probably only one such sheet left the bureau undetected, but it is singular that no other such specimen is reported. This is, of course, exactly analogous to the \$2 with \$1 back or \$10 with \$20 back occasionally reported, and even rarer.

The next 5 cent made (on banknote paper, like all to follow, unless otherwise noted) were apparently those surcharged S (upper left) 18-63 (F-1234). A complete sheet of 20 subjects was lot 772 in the 1971 Central States auction; other are reported. It is barely possible that similar notes may exist surcharged 1 (upper left or upper right) 18-63 in corners, but to date they are not reported.

Later still came those with no extra surcharges in upper corners, but with 18-63 in lower corners (F-1233). Occasional printing errors show either the 18 or the 63 blurry, fragmentary or missing. Compare lot 2040, New Netherlands 53rd sale (Philip Straus estate). Two complete uncut sheets were in Mehl-Grinnell 881-2; others are reported.

Last and commonest are the 5 cent without corner surcharges (F-1232). Lot 2173, 1959 ANA sale, was an uncut complete sheet; others are reported. Limpert B5E is described as an invert; BSF is described as having value surcharge inverted, and B5G shows TREAS.DPT. in rectangle, all in



Bust of Washington in bronze oval frame on second issue 5-cents is common to all denominations. Reverse is brown with bronze overprint.



Second Issue 10-cents has green reverse with bronze overprint.

bronze, at upper right (purpose unknown).

The 10 cent was printed from about Oct. 10, 1863, to sometime in the first week of March, 1865, altogether 61,760,843 being issued. Most were made from 20-subject plates, though as with the 5 cent there were a few 25- and 50-subject plates. Altogether, there were 60 face plates and 54 back plates.

Earliest among these were those on "membrane" fiber paper, backs surcharged in corners T-1-18-63 (F-1249). (The C-1-18-63 is apparently just the regular T-1 type, but imperfectly printed so that upper left serif of "gothic" or "left" T does not show.) Some 17,098 were issued "through Oct. 1, 1864"—presumably in all. Limpert lists as his number B6V an inverted surcharge.

Apparently earliest among the bank note paper 10 cent is F-1248, if this marking is authentic (some specialists doubt it, though Boyd and Wayne Raymond accepted it). This has Roman letter O and 63 in upper corners. Discovery piece: lot 1493, H.P. Smith collection, 1906; compare Mehl-Grinnell 778, ungraded (same piece?). When the M. Burgett example was offered as lot 775 in the 1958 ANA sale, bringing \$250, the catalogue commented that supposedly only two sheets were made (source of remark unknown).

Next is probably the issue with corner surcharges 1 (upper right) 18-63 (F-1247). At least one uncut sheet (Valentine, p. 47, Limpert B6S) is described as having inverted corner surcharges, the large 10 being normal. I have not seen this; if it is as described, then the corner surcharges were added in a separate operation after the central surcharge.

Next is probably F-1246, with S (upper left, "gothic") 18-63. Walton 1808 was an uncut sheet; others are reported. A number of inverted surcharges are known to survive, an uncut block of four appearing in the Burgett collection, lot 886, 1958 ANA Convention sale, a different block of four in Lester Merkin's forthcoming sale of October,

1972. (Possibly from the same sheet: single inverted surcharge, lot 84, MN 48th sale.)

Later, and in greater quantity than any foregoing (nearly half the total issue) came F-1245, 18-63 surcharged in lower corners, nothing in upper corners. Occasional printing errors show either 18 or 63 blurry, fragmented or missing (cf. Numisma 2891, vol. 2, no. 3, 1955). Valentine (p. 47) reports an uncut sheet. Lot 515, MN 42nd Sale, is an invert; lot 854, 1958 ANA sale, was Burgett's piece with inverted surcharges.

Slightly more common than preceding (possibly slightly over half the total issue) is F-1244, without corner surcharges. Valentine (p. 47) reports an uncut sheet; V-18c—Limpert B6E is an invert. Blake 34—V18b—Limpert B6F is described as having inverted surcharge (the central 10). Many survivors show paper yellowing from age.

Of the second issue 25 cent during the same period were printed some 30,993,365, mostly in sheets of 20, though a few 25- and 40-subject plates were used. Some 68 face plates and 47 back plates were made.

Among these, the earliest are those on "membrane" fiber paper, some 58,689 issued (through Oct. 1, 1864), with surcharges T-1-18-63 (F-1289). The T is doubtless the particular variety of paper; the 1 is believed to stand for wet printing (the 2 would mean dry). Backs vary in color from pale lilac to deep purple; the bluish or greenish ones occasionally met with are believed to have suffered oxidation rather than being originally printed in the wrong color, though we cannot automatically exclude color deviations. Lot 61, Bechtel sale, Nov. 17, 1878, lacked the bronze oval. I have also heard of one with inverted surcharge, but this may have been confused with the one listed next below.

It is impossible to tell if simultaneous with last or slightly later are those surcharged T-2-18-63, the 2 believed to stand for dry printing, which was being then

(BREEN, Page 13)



BREEN

(From Page 12)

experimented with (F-1290). Many notes are poorly enough surcharged so that the numeral in the upper right corner cannot be positively identified as 1 or 2. One reported with inverted surcharge: V-56f, Lämpert B7U. F-1287a supposedly has 1 in upper left, S upper right 18-63. I have not seen this, nor have I seen F-1290a—Rothert 35, surcharged S-3-18-63.

The earliest ones printed on bank note paper are apparently F-1287, with 1 (upper right) 18-63. Valentine, p. 47, alludes to a full uncut sheet. Either simultaneous or slightly later is F-1288, with surcharges 2 (upper right) 18-63; this is apparently rarer.

Then, presumably, come F-1288a, with A (upper left) 18-63, and F-1288b, with S (upper left) 18-63. Lot 656, 1958 ANA Convention

Purple and bronze are prime colors of second issue 25-cent reverse, although a few are found with steel gray backs.

sale, M. Burgett collection was one of the latter, with the "old English" S inverted, remainder normal. Valentine 27f and 27j, respectively, call for inverted surcharges and inverted face (back normally printed).

Later still and in greater quantity was F-1284, with no upper corner surcharges, 18-63 in lower corners. Mehl-Grinnell 884 was a full uncut sheet. Lämpert B7L is described as inverted surcharges (both 25 and 18-63); 7K supposedly has 25 normal, but 18-63 inverted. This I have never seen, and presume that only the one sheet was so made.

The last and commonest (F-1283) have no corner surcharges. Several grades of paper were in use, differing in thickness and varying from cream to grayish. I have heard of at least one uncut sheet normally printed, in addition to the Boyd estate's sheet without bronze oval or value surcharges. Blake 28—Valentine 19c is said to have inverted value surcharge; V. 19d is another

double denomination item, face of 25 cent, back of 50 cent (carmine ink). This I have not seen. Lot 718, 1958 ANA Convention sale, was Burgett's example, normally printed except for "gold" (probably bronze) TIEAS. DIT. in rectangle at upper right.

Some 13,000,464 were printed of the second issue 50 cent during the same period, only 21 obverse and 22 reverse plates being used, most of these being 20-subject plates, though a few contained 25 or 40. The earliest were those printed on membrane paper—62,300 through Oct. 1, 1864.

It is so far impossible to tell which of these came first, but evidently there was not much elapsed time between them:

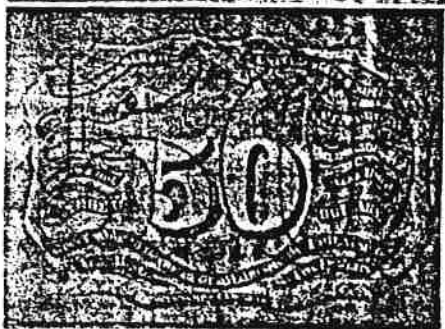
Corner surcharges 0-1-18-63 (F-1230). Rare; the 0 is in so-called "Old English" style. As no 0-2 is reported, this may have preceded the introduction of even experimental dry printing. In lot 61 of the Bechtel sale (Nov. 16, 1878) was one of these without bronze oval.

Same, but T-1-18-63 (F-1322). A little less rare, perhaps. Valentine 37f - Lämpert B8N is described as with inverted surcharges. The piece missing the numeral 1 from upper right corner (F-1323) is a printing error; one of these also was in the same lot of the Bechtel sale.

Same, but T-2-18-63 (not in Friedberg) Valentine 37e - Lämpert B8Q. Evidently of extreme rarity; I have never seen one. V.37g lists another with these surcharges inverted.

Same, but R-2-18-63 (F-1321). (The R1 is not reported, though it may conceivably have been made.) An invert is listed as V.37c - Lämpert B8L.

The group on bank note paper (several slightly differing kinds) certainly ended with the F-1314 (no corner surcharges), but which variety began it is still unknown. Possibly discovery of



Rarest of the 50-cent values is the one without reverse surcharge. Back is red with bronze overprint, but some are reddish orange.

enough specimens with visible plate numbers will enable the mystery to be solved, for Martin Gengerke found the bureau's inventory of plates, with a date next to each, probably indicating when it went to the printer. In the meantime, the order here is my own conjecture.

Corner surcharges 1 (upper right) 18-63, F-1318. Valentine (p. 47) lists a complete uncut sheet; Burgett owned an invert—1958 ANA convention sale, lot 858. Scarce, not to be confused with following.

Corner surcharges 1 (upper left) 18-63—illustrated in Lester Merkin's 1963 fixed price list, no. 66, p. 12. M. Gengerke thinks this was an imperfectly printed A.

Similar, but S-18-63; existence controversial. Formerly listed as F-1319, but omitted in last few editions. The few specimens seen generally have the S blurred, which might suggest that it is, in fact, an imperfectly printed A. The clearest one was Burgett's, lot 733, 1958 ANA sale, at \$475; possibly ex Numisma 2805 (v. 2, no. 2, 1955).

Valentine 32b (listing copied by Lämpert as B8H, formerly listed as F-1319A) is described as S-2-18-63; V-32c same, but with inverted corner surcharges. None seen, and if this exists, it should be on fiber paper.

Following all preceding, printed in much greater quantity: F-1316, corner surcharges 18-63 only. Printing errors are known with either 18 or 63 blurry (F-1315, 1315A). V-24c - Lämpert B8E was an invert.

Last of the second issue and one of the rarest of all fractional notes is F-1314, the regular 50 cent without corner surcharges. Beware of pieces fabricated by gluing together two uniface specimens, or altered from F-1316 by removing the 18-63. The former can be immediately detected, as they will be far too thick; and the glue (sometimes also bronze SPECIMEN on blank backs) will show when note is held up to light. Those made by removing corner surcharges usually show faint discolorations or eraser marks in the proper places. At least the following are genuine:

(1) Neil 3370 (1947), ex Mehl-Grinnell 770, ex David Proskay; (2) Lot 719, 1958 ANA sale, ex Burgett, ex Barney Bluestone, April 27, 1945. Described as crisp uncirculated; (3) Lämpert 388, ex Schultz, Westheimer collections, uncirculated, pin holes.

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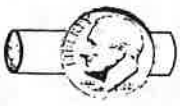
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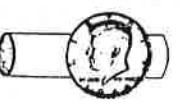
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New Looks at Old Notes . . . Part III

Third Issue Fractionals Added New Designs, Signatures, 3-Cents Value

. . . by Walter Breen



Third issue 10—what? By error or ill-advised design, the 10-cents denomination appeared without any mention of the word "cents."

Third issue fractional currency comprises the 3 cent plus the same denominations as before, redesigned, with signatures of register and treasurer, but as yet without Treasury seal. In official records the third issue notes were generally called "new fractionals," contrasting with "old fractionals" for second issue and "postage currency" for first. Some of the earliest 25 cent and 50 cent notes were printed on left-over membrane or fiber paper from second issue. Third issue notes were released between Dec. 5, 1864 (an experimental issue of 50 cents) and April 15, 1869, though printing had ceased a little earlier.

The 3 cent, smallest of all (36mm x 64mm) and the only third issue note to lack a signature, was also the denomination with the shortest tenure of all: 20,064,130 printed from 25-subject plates, 20,050,905 released between Jan. 23 and April 5, 1865. Printing had halted the preceding month, as the Act of March 3, 1865 abolished the denomination, authorizing the coinage of nickel 3 cent pieces to redeem these notes.

Two major varieties: "light curtain" behind Washington (F-1228) from 33 face plates, two of them ground down enough so as not to show the two "pearls" at bottom of ornament just below Washington vignette (plates 32 and 35), a variety touted by Limpert as rare. Actually, some others show these "pearls" weakly or fragmented, a point discussed at lot 2047, New Netherlands 53rd sale. Of the scarcer dark curtain type (F-227), only seven plates were made, numbered 62 to 68. Paper varies from nearly pure white to pale grayish, the latter with some tiny fiber inclusions, somewhat like that on Postage currency notes. Uncut complete sheets are known.

The third issue 5 cent has the distinction of being the only note whose design forced Congress to pass a major piece of legislation. Spencer M. Clark, at the time head of the currency bureau, had the honor of being portrayed on this note. Unfortunately, his name was unfamiliar to most legislators, and an irate Congress hastily passed the Act of April 7, 1866, forbidding portrayal of a living individual on any U.S. notes or bonds. Their decision followed shortly, and the Act of May 17, 1866 directed that nickel 5 cent pieces be issued in quantities sufficient to redeem outstanding 5 cent postage currency and fractional currency. As of June, 1884, 10.5 million had been redeemed, which still left over 2 1/2 million outstanding.

In all, 13,140,055 were made of the third issue 5 cent; exact dates are not known, but probably within the range January, 1865 to early April, 1866. Incidentally, the act which forbade portrayal of a living individual appears to have been applied only against the 5 cent with Spencer Clark's head. The 50 cent Spinner notes continued to be issued for over two years afterward, with both

styles of reverse, and nobody bothered to ask how this practice conformed to the law. Plates were made for the 15 cent Grant and Sherman, but allegedly owing to the new law, these notes were made available only in specimen form, unlike, as a lagniappe for collectors.

Some 29 face plates and 31 back plates were used for the issue, numbered continuously 1 through 60 in no particular order, as usual. I do not know which plate is responsible for the variety with small pearl just below the 5 (in scrollwork at upper right).

Here, for the first time, we meet with plate position letters.



Smallest size and shortest tenure distinguished third issue 3 cents, which also is the only note lacking a signature. Specimen shown is the variety with dark curtain behind Washington.

On each 16-subject plate (four rows, four columns), the column of notes at far left shows a small letter "a" just above the caduceus at left. Notes showing the a occur therefore in the proportion 4 to 12, i.e. three times as scarce as the regular notes without the a. The purpose of these letters is unknown.

There are two major varieties: red black without (F-1236) and with (F-1237) position letter a; green back without (F-1238) and with (F-1239) position letter a.



Bureau records are incomplete, so the period and quantity of issue of red backs cannot be determined.

I have heard of at least one full uncut sheet of 16 red back and at least one uncut sheet with green back (Valentine, p. 48).

Inverts with green back are reported: with letter a (V-39c, not seen) and without (V-39a, Limpert—Burgett—1958 ANA sale, lot 860).

The 10 cent of third issue is notable for lacking any mention of the word "cents" ("an inexcusable error"—Valentine). Altogether, 169,761,345 were made, from 70 face plates and 49 back plates (16 subjects per plate). Of these, plates numbered 8 to 14 are 16-subject face plates intended for souvenir notes with autographed signatures and no numeral on left column of notes. Some 18,000 red backs were issued between Aug. 26 and Sept. 9, 1865; of these only a tiny proportion could have been autographed. Valentine (p. 48) mentions an uncut sheet of red backs, (F-1251).

Varities are fairly odd. The normal Colby-Spinner autograph (F-1253) is also reported with "Register" and "Treasurer" not spelled out as normally, but abbreviated "Reg." and "Treas." This is V-46c and is evidently of extreme rarity, as I have not managed to locate even one, despite over twenty years' search.

Next comes the Jeffries-Spinner autograph (F-1254). This is rarer than 1253, evidently being late (probably at the time the wide margin proofs were being printed). Notes are also known without any signature at all (V-46e, probably Boyd estate). Some of these must have been held in the treasury for decades, as at least one is known with autographs Tillman and Morgan (V-46f), an obvious piece of caprice. Blake listed one with signatures: Rosecrans-Spinner; this could have happened only in one way: Spinner signed it, Colby was absent, and the note remains unissued in treasury vaults without register signature for

Spencer M. Clark, then head of the currency bureau, appears on third issue 5-cents, a fact that prompted an incensed Congress to ban portrayal of living persons on notes.

over 20 years, being found some time between 1885 and 1893 at which time W.S. Rosecrans autographed it. Other signature combinations may exist; Allison-Spinner is a distinct possibility.

Martin Gengerke has furnished me with a photograph of a green back note with autographs Colby-Spinner and no "Register" or "Treasurer." At least one other note (from this same sheet?) with green back is reported, without signatures, without "Register" or "Treasurer" (This listing courtesy of Milton Friedberg.) These two notes represent one of the strangest printing errors in currency history: wrong face plate used after its normal issue had ceased.

The regular green back notes regularly come without (F-1255) and with (F-1256) position numeral 1. Notes in the left column of each sheet bore this numeral, which varies in size from very small (about 2/4mm) to large (nearly 2 mm); this amount of variation was first indicated, to my knowledge, in lot 3050, New Netherlands 53rd sale.

Valentine (p. 48) mentions a full uncut sheet. An invert was Mehl-Grinnell 796. At least one is known lacking any surcharges on either side (V-40g, Limpert C11M, Burgett, 1958 ANA sale, lot 861). From the same sheet (?), with position numeral 1—V-40h—Limpert C11E (not seen). With normal back but missing obverse surcharges: Limpert C11L, Blake 50—V-40a has reverse surcharges inverted, and this, too, must have been made also with numeral 1 (not traced). V-40e—Limpert C11J has normal plate printing, but both obverse and reverse surcharges are inverted; this was in the Burgett collections lot 862 ANA Convention sale. This also must have existed with position numeral 1 (not traced).

The 25 cent of third issue ought, by the letter of the law, to have been retired and replaced by a new design in 1866, as it portrays a man then alive, William Pitt Fessenden, outgoing secretary of treasury (1864), later senator; Fessenden was to conclude his political career by voting against the impeachment of President Johnson.

In all, 124,572,755 were issued through April 15, 1869. The 16-subject plates contain four rows and three columns, the four notes in the far left column marked with position letter a; these notes occur in proportion to those without as 4:8, i.e. twice as scarce. Some 90 face plates and 54 back plates were used. The position letter "a" varies from small to large—about 3/4 to 1 1/2 mm in height, both small and large coming in various styles, wide and narrow, evidently entered on each plate by hand.

This variation is evidently alluded to in F-1295-1296, and it is not to be confused with the very rare extra large "a" (over 2 mm tall) placed far to right of its usual position (below "Tr" of

"Treasurer" rather than just below and left of the "F" in "Furnished"). This occurred on only one plate, 144, apparently the last face plate made of this design for notes intended for circulation. The few specimens located all have green backs. Martin Gengerke tells me that the bureau's plate proof shows that all four notes in the left column of this plate have the same style, size and location of the a. This might be called F-1296a.

However, the earliest 25 cent notes appear to have been the 16,000 red backs issued between Feb. 21 and March 6, 1865. These come only on regular bank note paper, for uniformity with red backs of other denominations. They come without (F-1291) and with position letter "a"—small (F-1292) or large (F-1293). Valentine (p. 48) cites an uncut sheet (probably Boyd estate). Valentine also lists as number 47d a red back with reverse value surcharge inverted; this has not been seen, but if it exists as described, then four subjects on the same sheet also bore position letter "a."

The earliest ones with green back were printed on fiber paper, bearing on backs corner surcharges M-2-6-5 (probably for Membrane paper, Dry printing, 1865). They are believed to have comprised the 7107 notes issued on March 22, 1865. The first few sheets of this emission are on an unusually fragile type of fiber paper, always with signs of aging, and with about the bending /folding/wearing quality of graham crackers. Most of the survivors show pieces missing from corners or have split at central fold. These are the famous solid bronze surcharge notes, overtures having not the usual lacelike or filigree surcharges, but heavy, bowl-shaped, golden-bronze ornaments, within which 25 appears as empty spaces. They come without (F-1299) and with (F-1300) position letter a (face plate 26, back plate 2). About nine or 10 different examples have been auctioned in the last 30 years, a few more remaining in old collections and dealer stocks, most in condition ranging from fine down to poor. There are three auction records of F-1300: Mehl-Grinnell 802, M. Burgett—1958 ANA sale, lot 752, and lot 784, 1965 Schulman-Kreisberg sale. The issue was abandoned immediately, owing to the excessively poor wearing quality of the paper.

Other fiber paper notes, with the usual filigree surcharges and M-2-6-5, are printed on a kind of paper more like that used on some Justice 50 cent notes and some few second issue notes, more durable than preceding. They come without (F-1297) and with (F-1298) plate position letter a. Valentine (p. 48) mentions an uncut sheet, probably Boyd (Facing Page)



William Pitt Fessenden, secretary of the treasury (1864-65), appears on 25-cents denomination. To conform with the ban on portraying living persons, the note should have been retired in 1866 and replaced with a new design.

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estate; his number 41c is an inverted, his 41d an inverted surcharge, presumably both existing (or formerly existing) also with position letter a. There is some doubt in my mind as to whether these pieces were of the solid bronze or regular fiber paper type. Blake 53 is supposedly a fiber paper note like F-1297, but without corner surcharges evidently a printing error (untraced).

Green back notes on bank note paper have always been plentiful. They come without (F-1294) and with plate letter a, small (less than 1 mm tall, F-1295) and larger (F-1296). We have already alluded to the extra large a ("1296A"). Blake 61 is described as of regular type, but without obverse surcharges (untraced). V-41h is described as an invert (compare Limpert C12M). In the Burgett collection was one with inverted surcharges (V-41d, 1958 ANA sale, lot 853).

We come now to the 50 cent, which presents us with the most complicated group of varieties in the series. Only in recent months has reliable information become available enabling correct printings and issue order and dates to be reconstructed.

The regular issues of all three designs (Justice, Spinner I, Spinner II) were printed from 12-subject plates; those in left column on each sheet bear position numeral 1, the top row plate position letter a, so that the upper left corner note shows both 1 and a (1/2 of whole), two show a (1/8) three show numeral 1 (1/4) and the other half show neither one.

In all, 73,471,853 were issued. This has been broken down as follows: Justice (Dec. 5, 1864—Dec. 31, 1865) 9,737,135; Spinner I (Jan. 1, 1866—March 23, 1866) 52,856,690; Spinner II (May 27, 1866—April 15, 1869) 10,868,028. I have to thank Martin Gengerke for providing the "apparent cutoff dates" for the three types; these dates enabled me to make the proper interpretation of issue dates and amounts in the treasurer's issue registers preserved in the National Archives.

We begin with the Justice type with red backs. The first experimental printing consisted of some 255 sheets (3060 notes) of Nov. 14, 1864; they are not accounted for in issue registers, and were probably distributed only to high government officials. They are almost certain to have been on fiber paper, with Colby-Spinner autographs and back corner surcharges S-2-6-4 (F-1357). It is also barely possible that the exceedingly rare notes with engraved signatures and the same surcharges (F-1351-54) may have come from this experimental printing.

Autographed notes F-1357 come from face plates 2 and 3 only; these plates omitted the words "Register" and "Treasurer",

which (as on the 10 cent autographs) had to be written in by a clerk. Valentine 48b is described as lacking the two words, but properly signed, evidently of at least equal rarity to the similar 10 cent, as I have not found even one in over twenty years. Auction records for properly made 1357's are very few; Mehl-Grinnell 851, NN 53rd, lot 2075, 1965 Schulman-Kreiselberg sale lot 809, Seeman 1314. There was also one in the 1963 Merkin fixed-price offering. Valentine 48a (same but with inverted back) has not been traced, but may be in the Boyd estate, along with Limpert C13F, described as of this type but unsigned. Blake 94 is described as having signatures Allison-Spinner; evidently this originated as a Limpert C13F,



Printed while Grant and Sherman were still alive, but not produced in quantity prior to the law banning such depiction, 15-cents note was made only in specimens. Note shown is from fractional shield assembly by the bureau as an aid to counterfeit detection.

remaining unsigned and unissued in Treasury vaults until after Colby left office. V-48c is described as similar, but without reverse plate printing and with only the large 50 and corner surcharges (unseen, but probably in Boyd estate).

The next printing consisted of 200 sheets (2400 notes) Dec. 5, 1864. This is recorded in the issue registers and must have been placed into local banks or directly into circulation, or sold to souvenir-hunters. Most probably it, too, consisted of F-1357's, perhaps along with a few of the following:

F-1351, Justice, red back, fiber paper, engraved signatures, corner surcharges S-2-6-4, F-1352, with 1 and 2, is untraced; F-1353, with numeral 1, was last recorded in the Burgett collection, lot 795, 1958 ANA sale, at \$485, with the claim that only one sheet was made. F-1354, with letter a, I have not seen.

The next issue took place Feb. 11, 1865; 1200 notes were followed by 10,860 printed on Jan. 14, 1865, delivered Feb. 15. The first 1200 are believed to have been autographed notes, the rest with engraved signatures, both types on bank note paper with A-2-6-5. Of the autographs (F-1356) few are traced. Valentine 48f - Blake 98 is described as without signatures; this note was Mehl-Grinnell 849. V-48e is supposedly signed by Colby only (not seen).

Blake 99 is described as having Rosecrans-Spinner signatures, evidently having been signed by Spinner only and left in treasury vaults until 1865 or later. Valentine 48p is believed to be the same note.

Those with engraved signatures are F-1347, 1348 (with a and 1), 1349 (with numeral 1 only) and 1350 (with a only). They are collectible, but seldom seen. Valentine (p. 48) cites an uncut sheet (Boyd estate)?

Next, presumably, came the similar notes without corner surcharges: F-1355, autographed Colby-Spinner (part of the 1200 of preceding delivery?), from the same face plates, with "Register" and "Treasurer" added by hand. Limpert C13B-C, respectively, lack Colby signature and Spinner signature (highest rarity). The engraved signature notes follow: F-1343, 1344 (with 1 and a), 1345 (with numeral 1), 1346 (with letter a). Valentine (p. 48) lists an uncut sheet.

We may presume that the remaining 9,719,675 Justice notes bore green backs. Apparently a small batch were printed on fiber paper, the last appearance of this experiment. At least one sheet of these notes received corner surcharges S-2-6-4 (F-1373a, Rothert 90, Raymond 47). I have not seen an example, though I have heard that New Netherlands handled one in 1951. If so, then similar notes with 1 and a, with numeral 1 only, and with letter a



F. E. Spinner, "father of fractional currency" and treasurer of the United States from 1861 to 1875, appears on type 2 50-cents. It seems he also was immune to the ban on living portrayals, as the note was issued for two years after the ban became law.

listed F-1368-1369. The letter a varies in size. No blunders reported here, but with the corresponding notes with compactly spaced surcharges (approx. 92 x 30 mm, F-1362-1365) at least one sheet was printed with inverted surcharges. Valentine listed the regular note so blundered as 42o, and reserved numbers 42w for the 1-A, 42x for that with numeral 1, and 42y for that with letter a, admitting that he had not seen these. A V-42x turned up in the NN 42nd sale, lot 546, this discovery piece being bought by M. Burgett and reappearing as lot 854, 1958 ANA sale. The others may yet be discovered, as collectors begin to look more closely at their notes.

Probably because corner surcharges had occasioned so many blunders and required so many counts for the extra press runs, the vast majority of Justice notes (F-1358-61) were issued without the A-2-6-5, from a total of 45 face plates, through December 1865.

Next follow the Spinner I notes, i.e. Spinner portrait, backs as on the Justice type, usually called "Spinner first type." They were printed from Jan. 1, 1866 through March 23, 1866 from a total of 53 face plates, the 45 back plates of



A seated Justice dominates the face of third issue 50-cents, type 1, a denomination that boasts the most complicated array of varieties in the series. Reverses are red or green.

only did exist and may conceivably survive.

The other (earlier?) fiber paper notes of this group were given the error surcharge A-2-6-5. There must have been only a tiny number of sheets: F-1370 (without letter or numeral)—Numisma, v. 3, no. 1 (1956), mail bid sale, lot 45; lot 67, Merkin 1963 list; Mehl-Grinnell 813; F-1371, (with 1 and a)—Mehl-Grinnell 814; F-1372, (with numeral 1, V-42b)—NN 42nd sale, lot 597, Mehl-Grinnell 815; F-1373 (with letter a, V-42c)—Mehl-Grinnell 816; Numisma sale just mentioned, lot 47; lot 393, Lester Merkin sale of March 1968, reasonably at \$110. Valentine (p. 48) claims an uncut sheet.

A far larger number followed on bank note paper with widely spaced corner surcharges A-2-6-5 approximately 98 x 34 mm) 2nd

first type being used with both Justice and Spinner face plates. Almost the entire issue of Spinner notes was, as we have seen, in violation of the Act of April 7, 1866, but nothing was done about it.

Only the first few hundred of the red backs bore autograph signatures (face plate 1). Most of these are signed Colby-Spinner (F-1328), though either signature may be missing (Limpert C14B, C14E). They rate highest rarity. Notes Colby had failed to sign account for the very rare Allison-Spinner, F-1329; Jeffries-Spinner is another possibility, though the only ones I have seen were made by pasting together uniface specimens. Notes with both signatures missing (V-49c) are still more rare. One sheet remained unsigned during Spinner's term through error,



being signed by Allison some time in 1869 or later, and still later (1875 or '76) by John C. New.

The Allison-New notes are really in a class with the Tillman-Morgan and Rosecrans-Spinner signatures earlier discussed, but for some reason they have been collected as a supposedly legitimate variety of the regular issue (F-1350). They are rare enough to give credibility to the usual comment "only one sheet made."

The regular Spinner red backs with engraved signatures (F-1324-27) are generally available for a price and occur (like the corresponding Justice notes which they emulate) in all condition grades. The face plates are numbered from 1 to 44, 43 to 54. Valentine (p. 48) cites an uncut sheet, probably in Boyd estate.

Green Back Spinners of the first type come with and without corner surcharges A-2-6-5, compactly spaced (92mm x 30mm approximately); the backs must have been printed and surcharged in 1865, being left over until after the change of type from Justice to Spinner. With surcharges they are F-1333-38. The Jeffries-Spinner autograph with green back, claimed as Blake 71, was probably made by pasting together two uniface specimens; I have seen several similar fabrications with red backs.

At least one sheet of inverts was made (Limpert C14T). To date, none are reported with numeral 1 or letter a. At least one sheet with inverted surcharges, respectively V-43d, n, o, p. The first of these is Burgett's, in 1957 ANA, lot 865. The others were provisionally listed, Valentine admitting that he had seen none, though they were certainly printed and must have existed.

Green back Spinners without corner surcharges are F-1331-1334. They are many times commoner than the Justice notes or the earlier Spinners with surcharges. There is at least one uncut sheet (Valentine, p. 48). Paper varies in thickness. At least one sheet of inverts has printed (V-43d). None with numeral 1 and/or letter a have been met with, though Valentine reserved numbers 43q-r-s for them. He also reserved numbers 43t, u, v, w for similar notes with inverted central surcharges; none are reported.

Between May 27, 1866 and April 15, 1869, some 10,868,028 Spinner notes were printed with the second type reverse, having a central polylobate area including "50-Fifty Cents." There were 30 back plates of this type, numbered 1 to 31 (number 21 being for wide margin proofs only). The paper varies in thickness. Varieties are F-1339-1342, no inverts nor inverted surcharges being reported. Valentine (p. 48) claims an uncut sheet (probably Boyd estate). These notes effectively ended the third issue.

New Looks at Old Notes . . . Part IV

First Made for VIPs, Specimen Fractionals Later Sold to Public

. . . by Walter Breen

Before proceeding to the fourth and fifth issues, let us give some attention to the uniface specimens (wide margin proofs, narrower margin "specimens," and close margin specimens from shield) which were made of the postage currency and old and new issue fractionals (the first three issues) between June, 1866, and Oct. 31, 1867. The first plates were made between December, 1865, and March, 1866, at first for the twelve specimen books made up by the currency bureau for presentation to President Andrew Johnson and various cabinet members and high-ranking legislators, later for sale to the public.

The first issue uniface specimens of all three classes were made from plates of the regular type without ABNCo credits on reverses. We do not know the plate composition, nor the quantity issued of narrow or close margin pieces, but there were issued of the wide margin proofs some 10,890 pairs (obverse and reverse) of 5 cents, 16,890 pairs of 10 cents, 15,672 pairs of 25 cents, and 10,872 pairs of 50 cents. The 5 cents and 25 cents were printed on yellow and buff paper, without SPECIMEN on blank backs, the reverses most often on buff paper showing scattered light fibres, the obverses most often on yellow paper, lighter than buff in color and without the fibres.

As with the second and third issues, wide margin proofs were sold to the public at face (5 cents for obverse and reverse pair) plus a handling charge. (The impressions on white India paper, with or without hole cancellations, whether or not mounted on cardboard or "Bristol board", were made for

use of the department and not sold to the public; this remark holds for all uniface fractionals to follow. However, the white bond paper obverse and reverse proof 5 cents, Valentine 74 and 75, may have been either some kind of experiment or fancy production intended for VIPs.) The 10 cent and 50 cent were normally printed on white bond paper,

Narrow margin specimens appear to have been printed similarly, but in general they show only about 1/4" margins, often with penciled rulings. They come on the same kinds of paper as the regular wide margin proofs. Quantities issued are unknown, but considerably more than of wide margin proofs. It is believed that the close margin



Second issue wide margin 5-cent.

though very thin India paper examples are reported of obverses and reverses as well as impressions on coarse common white paper.

I have not seen Valentine 133, which is described as the 25 cent reverse wide margin proof, but showing ABN monogram. If authentic, this suggests that all the postage currency proofs (first issue) were made up from ABN plates with the monograms usually effaced. In general, wide margin proofs will show traces of parts of engraver's rulings—guide lines intended for trimmers' use; it is rare for any individual proof to show four complete rulings.

pieces attached to shields were originally made as narrow margin specimens and trimmed closely by the employees making up shields.

A note on shields is here in order. These were made up at the currency bureau between June, 1866, and the end of May, 1868. In the SPMC journal "Paper Money," no. 41, Brent Hughes (p. 23ff) reconstructs the inscriptions printed on shields for use of the employees parting on the specimens, so that the shields would be uniform in composition (types of notes) and layout. In the same article, he recalls that Milton Friedberg cites Ebenezer Locke Mason's "Coin & Stamp Collector's Magazine" (1868) where in two issues dealers were advertising shields with the phrase "Shields for Framing," along with a Treasury Department letter dated May 28, 1868, to the effect that shields were sent free of express charges for \$4.50 apiece.

Many shields remained unsold, and at some time during their storage in a government warehouse they suffered from water damage, probably flooding. As a result, in later years many shields were cut up and as many notes as possible were soaked off, suffering varying degrees of discoloration, abrasion and/or tearing; the violet reverses of 25 cent second issue appear to have discolored most drastically, some being pale blue or green, some nearly completely faded.

Quantity of shields issued is unknown. The earliest shields come with engraved eagle and shield background in green or red, the red usually faded to pink; a very few are also known with what is apparently a lilac background, probably faded from violet. All shields contain four notes with autographed signatures: 50 cent Justice in first row, 50 cent Spinner in second row, 15 cent Grant & Sherman in fourth row, and 10



Specimen note of first issue 25-cents, printed on white or buff paper.

cent in 6th row. The early shields with red, green or lilac background all show Colby-Spinner autographs on all four notes. A very few of the later type, on "gray" background (black ink), also show all four notes with Colby-Spinner autographs; usually one to three, rarely four, notes come with Jeffries-Spinner autographs, and hundreds of this type shield survive. I have heard of one with an Allison-Spinner autograph on the Grant & Sherman, but cannot now trace it; if this was made that way at the Bureau (rather than having an F-1275-SP fraudulently pasted on in later years), presumably the note originally pasted on lacked a Colby (or Jeffries) signature, and this shield remained unused from the Treasury until after April, 1869, being signed specially by Allison.

Returning to the regular wide margin proofs: All second issue wide margin proofs were printed from special 10-subject plates (two columns of 5 notes) without corner surcharges. Of the 5 cent, 12,692 pairs were made, faces from plate 334 or 1, backs from plate 335 (these numbers rarely show, and were furnished by Martin Gengerke from bureau

made in England and sent via blockade runner to the Confederacy and was captured by Union naval forces. The ship's cargo was sold at auction in Philadelphia in 1863, much of the paper being bought by agents of the Treasury Department. Each sheet (13" x 15") showed the watermark eight times, so that it would appear once on each note printed from an 8-subject plate. As the fractional currency specimens and proofs are always smaller than the CSA paper currency, it follows that the individual proofs or specimens show at most parts of CSA, and sometimes (depending on the way the sheets were fed into press and trimmed) none at all. Some unprinted, untrimmed sheets of this same paper are still extant; one brought \$20 in Lester Merkin's mail bid sale (April, 1972).

Wide margin proofs and narrow margin specimens of second and third issues usually are overprinted "SPECIMEN" in ornate bronze letters on blank backs of both obverse and reverse. Specimens lacking this word are scarce; others sometimes have it inverted.

Wide margin proofs, narrow margin specimens and close



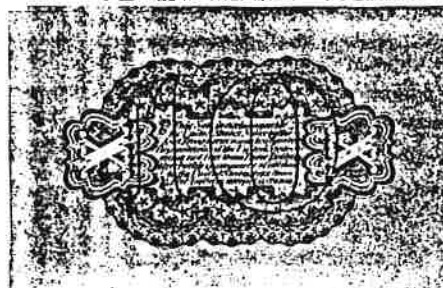
CSA watermark shows faintly on specimen of third issue 50-cents.

margin pieces from shield are known of all denominations of the third issue. Shields show both types (light and dark curtain) of 3 cent; almost all the specimens and proofs regularly found show dark background, being printed from and face plates 69 and 10, back plates 70 and 14 to the extent of 10,500 pairs. The wide margin light curtain proofs were made from face plate 71 after May 1867, and they are extremely rare.

Through October 31, 1867, only 3,058 pairs of 5 cent wide margin proofs were issued, presumably more being made later on. Faces are from plates 61 and 18, backs from plates 62 and 19; they come

Through October 31, 1867, only 3,058 pairs of 5 cent wide margin proofs were issued, presumably more being made later on. Faces are from plates 61 and 18, backs from plates 62 and 19; they come

(BREEN, Page 29)



Ten cents of third issue bears Colby-Spinner signatures.

(From Page 16)

red or green and are occasionally met with in trios, face plus red and green backs.

No information is available on the quantity printed or issued of 10 cent Clark wide margin proofs, though they are included in the combined second and third issue total of 27,125 pairs. Those with autographs come with red backs and were printed after June, 1866, from face plate 71, back plates 64 and 11. Those with engraved signatures come with green backs, and were printed from face plates 66 and 9, back plates as preceding.

The 15 cent of third issue was originally intended for circulation, but when an angry Congress passed the act forbidding portraiture of living individuals on currency, the plan to include this denomination in the regular issues was abandoned. However, the plates were used for narrow and wide margin proofs, and all shields include this denomination, both autographed and engraved sig-

natures, red and green backs. There were 9,016 pairs of wide margin proof issued, the quantity with autographs not known but probably less than half the total. Plates contained eight subjects, five in the left column, three vertically (end to end) in the right. Faces were printed from plate 2 (autographed signatures, plate made May, 1867), and 3 (engraved signatures); backs from plate 1. Many lack the "SPECIMEN" overprint; in fact they are rarely seen with it!

Of the 9,016 pairs officially issued, only 3,513 were outstanding as of June 30, 1864, and for many years thereafter. It is uncertain if the pieces recovered from shields were counted as issued. Of the 3,513 pairs, the majority appear to consist of engraved signatures and green backs; very few wide margin proofs were made with autographs. Those with Colby-Spinner autographs are exceedingly rare, as Colby signed comparatively few before leaving office in September 1867. Most of the autographs are on shields, and the majority are signed Jeffries. Incidentally, the so-called "Jeffus" signature is nothing more nor less than a

hastily scrawled "Jeffries" with the i-dot misplaced or weak or absent; the same remark holds for the so-called "Alleson" on fourth issue notes, the problem there being from light inking of the signature elements, causing the 1 to show a light loop. (The i-dot there was strengthened on many plates by hand retouching.)

Of the 25 cent Fessenden, some 3,225 sheets of 8 subjects were prepared, in all 25,800 pieces, which is generally interpreted as 12,900 pairs, but which may as easily mean 4,300 faces, 4,300 green backs and 4,300 red backs. Faces are from plates 85 and 13, backs from plates 84 and 12. These usually show "SPECIMEN" on blank backs, that on back of obverse often inverted. Watermark "CSA" is usually partly visible, but other kinds of paper are known, as with the other denominations.

Of the 50 cent Justice, the autographed proofs come from face plate 93, the proofs with engraved signatures from plates 87 and 16, the backs of first type (red and green alike) from plates 88 and 15. Plates for proofs of both Justice and Spinner type contained five subjects in a single column. Quantities issued of each type are not known, but the total of both Justice and Spinner comes to 8,916 sheets—44,580 subjects or 22,290 pairs in all. Of these, more than half are Spinners, and green backs are more often met with than red ones. Similar proportions appear to be found in narrow margin specimens but Justice and Spinner, autographs and engraved signatures, are found equally often from shield, as are red and green backs of first type. An exception to all this is the



Third issue specimen 50-cents with portrait of Spinner; green backs outnumber red.

green back of second type (issue of 1868), which was not included in the regular wide margin sets (as these were made up in 1867), nor is it found on shields. Wide margin proofs (F-1339SP) are exceedingly rare. Milton Friedberg lists it as coming with and without "CSA" water mark; Valentine 113 is described as an India paper proof; V-356 and 357 are the same, but narrow margin specimens, former with "SPECIMEN" and watermarked "CSA," latter without and unwatermarked; V-358 is supposed to be the same from shield, but no

shields are known today showing this reverse. Specimens matching these descriptions appeared in the Lester Merkin 1963 list, marked "probablys" (from shield). I now believe that such pieces showing traces of mounting on blank backs came not from shields but from specimen books and mounted sheets of specimens.

To Be Continued



Treasury Seal, Better Paper Used for Final Fractionals

. . . by Walter Breen

Fourth Issue notes are the first ones to bear Treasury seals. All are signed Allison-Spinner, and were issued from July 14, 1869 through Feb. 6, 1875. Notes made during calendar year 1869 come in two styles of paper, first watermarked US US in two rows, second not watermarked and with light red (sometimes darker) fibres scattered. Beginning in January, 1870, a new type of paper was put into use, with what is officially termed "localized blue stain," more familiarly "blue end." Beginning at the end of 1871, a smaller seal (38 mm) replaced the large (40 mm) one.

The 10 cent of fourth issue was released through February, 1874 to a total of 349,409,600 pieces; of these, some 170,312,600 bore the small seal. I have not yet been able to locate again the particular ledger in the Archives which would enable me (now armed with official cutoff dates) to break down the large seal notes by types of paper, but in a subsequent installment I hope to publish these figures, along with other revisions and corrections.

The four major varieties are familiar enough, though mostly misdescribed. Friedberg 1257, called "plain white paper," is actually on watermarked paper with scattered light fibres; 1258, "pink silk fibres", has no watermarks and there are more fibres—red, and often some in blue or violet—scattered throughout. F-1259, with regional blue stain, is often mistaken for 1258 or 1261. The blue is occasionally faint, diffuse. F-1261 has smaller seal, 38 mm, not overlapping both top and bottom borders, and often neither one. Seal color varies from light rose and orange to deep burgundy, almost maroon, but is usually a rather pale red. The deeper tints

are generally found on later issues.

The design is by C. Burt, of the Bureau of Engraving and Printing, supposedly portraying Mary Hull; at least one proof of the obverse exists signed by Burt. (Valentine 115.) Seal plate numbers have been seen from 4 to 33 inclusive; they are in the same color as the seals, of course, and are usually hard to find. They occur on only one note out of a sheet, which means one note out of every 16 should show them. Faces were printed by American Bank Note Co., backs by National, seals by the Bureau.

changing of some kind, but it is more likely to be a result of selective oxidation of the red dye used for seal ink. Red and purple dyes of that period were notoriously unstable, fading or darkening with regrettable ease.

Occasional examples of F-1261 are said to occur on paper without localized blue stain (e.g. Blake 119). Under good light and in comparison with F-1258's, they invariably show faint diffuse blue throughout. Milton Friedberg points out that these were printed on paper made from pulp derived from spoiled or defective sheets returned unprinted by the



Fourth issue fractional note, worth 10-cents, showed capped Liberty.

A single note, said to be on fibre paper without localized blue stain, is known lacking any trace of seal; this is from the Westheimer collection, and appeared as lot 208 of Kagin's 25th Sale, November, 1971. This may be the note pictured in the Christoph-Krause pamphlet on fractional currency, reprinted from Numismatic News (1958). I have not seen a completely convincing example of F-1260, said to be with large brownish seal. This might be a chemical

Bureau.

The 15 cent displays Douglas C. Romerson's bust of Columbia. Face plates were made by NBN, backs by American, seals by the Bureau. The notes were printed in 12-subject sheets, three rows, four columns. Seal plate numbers seen range from 1 to 16. In all, 35,361,440 were issued, of which 8,121,400 (between April, 1872, and March, 1874) bore the smaller or 38mm seal. Varieties are as with the 10 cent: F-1267, large (40mm) seal, watermarked US US; F-1268, unwatermarked fibre paper; F-1269, same large seal, paper with localized blue stain; F-1271, same paper, smaller seal. Blake 127 is described as with the smaller seal, but on paper without the localized blue stain; this is from the same cause as the corresponding 10 cent. F-1270 is another one with brownish seal; same comment as to the 10 cent. Valentine, p. 48, cites one uncut sheet of 1267's. The denomination was not popular and none were made in fifth issue.

The 25 cent was designed by Douglas C. Romerson. Face plates were made by NBN, backs by American, seals by the Bureau. Notes were printed in 12-subject sheets like the 15 cent. Seal plate numbers range from 3 to 18. In all, 235,689,024 were issued, of which 32,516,256 (between January 1872 and February 1874) bore the small or 38mm seal. Major varieties are as in the 10 cent and 15 cent. F-1301 is watermarked US US; F-1302 has the large seal, but paper is fibre and not watermarked; F-1303 has same seal and localized blue stain. F-1307 has the smaller seal on the same paper. Blake 132 is another of the latter on paper supposedly without localized blue stain, but



Type 1 50-cents, fourth issue, has likeness of Lincoln on black obverse.



Bust of E. M. Stanton, secretary of war under Lincoln, was used on fourth issue Type 2 50-cents.

actually with light diffuse blue throughout, with the same explanation. A freak without any seal was lot 699 of Lyman Low's sale of May 22, 1903.

The 50 cent is more complex, divided into what the Treasury officially called first, second and third series. Of all three designs some 154,799,200 were issued. In a later installment I hope to be able to show the quantity of Lincolns issued (July through December, 1869), and of Stantons (January, 1870 through September, 1873; printing ended in June).

Of the Lincoln type, officially "Fourth Issue, First Series," only a few million were issued, the first ones (F-1374) on watermarked paper, the last (F-1375) on unwatermarked fibre paper. The issue was stopped and recalled owing to the appearance of huge quantities of deceptive counterfeits.

Face plates designed by C. Burt were made and printed by American Bank Note Co., backs by NBN, seals by the Bureau. Seal plate numbers range from 1 through 28. Sheets were of 12 subjects, similar to the 25 cent;

Valentine mentions (p. 48) an uncut sheet on watermarked paper.

Beginning in January, 1870, and continuing through September, 1873, the Stanton or "Second Series" notes were issued, designer unknown, but probably Casleair. Face plates (16-subject) were made by the Bureau, as were the seals, backs by ABN. It is a colossal irony that notes portraying Edwin McMasters Stanton, Lincoln's secretary of war and bitter enemy, should have followed on the killing off of the Lincoln notes, just as Stanton rose to the ascendancy in Lincoln's cabinet shortly after the assassination; Stanton's ouster was the official reason for the attempted impeachment of President Johnson.

There is only one major variety of this issue, on very small red seal, paper with localized blue stain. The issue was stopped and recalled after June, 1873, owing to successful counterfeits.

The Dexter notes, marked SERIES OF 1873, authorized under terms of the Act of June 30,

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Fourth issue was last for the 15-cents denomination, which displayed Columbia.



Bust of Washington appears on 25-cents of fourth issue. Obverses are black reverses green.



Fifth issue 10-cents has portrait of William M. Meredith, secretary of the treasury, 1849-50.



On black obverse, Type 3 50-cents of fourth issue carried image of Samuel Dexter, secretary of war and secretary of the treasury under John Adams.



Robert J. Walker, President Polk's secretary of the treasury, is displayed on fifth issue 25-cents.

NOTES

(From Page 12)

1864, were issued on the same kind of paper from August 3, 1873 through Feb. 16, 1874. Designers unknown (Casilear or Knollwood?), face plates and seals by the Bureau, backs by NBN; 14-subject plates. These are the first fractionals to show plate numbers and plate location letters on every note. Location letters are A to N inclusive; plate numbers range from 1 to 72. In all, 42,434,000 were issued. There is only the single variety, though occasional notes come with pale diffuse blue, rather than localized blue stain.

Of the fifth issue, the 10 cent and 25 cent are marked SERIES OF 1874, signed by Allison-

Spinner; the 50 cent SERIES OF 1875, signed Allison-New. Face plates on 10 cent and 25 cent (14 subjects) by the Bureau, backs by Columbian Bank Note Co. The 10 cent was designed by Thomas Knollwood, the others are not credited. On the 50 cent, face plates (16 subjects) are by the Bureau, designer uncredited, backs by Joseph R. Carpenter. Seals on all by the Bureau. All are on paper with localized blue stain.

The 10 cent Meredith was issued from July, 1874 to Feb. 15, 1876—199,899,000 in all; this denomination was retired by Act of April 17, 1876. The first ones (F-1264) have green seals—over twenty times scarcer than the red; plate numbers 1 to 50 seen. Green seals have long key in

shield only. Plate location letters run from A through N, plate numbers from 1 to 90, though comparatively few have been seen numbered from 73 to 90. There are two major varieties of the red seal: F-1265, long key (5 mm, key thin), face plates seen to 63 and may exist higher, and F-1266, short key (4 mm, key thick), face plates 9 through 90 known. As yet it is impossible to establish a cutoff date for the change from green to red seal.

The 25 cent Walker was issued during the same period, in all some 144,368,000. Only two varieties: F-1308, long key (same as in 10 cent), face plates numbered 1 through 51 seen to date; F-1309, short key (same as in the 10 cent), face plates 5 through 72 seen, and higher numbers may exist. Plate location letters from A through N.

The 50 cent Crawford was issued from July, 1875 through February, 1876, some 822,500 16-subject sheets totaling 13,160,000 pieces. These sheets were made up in two columns of eight notes each, têt-bêche, left column lettered A through H, right column lettered I through P, but facing the other way; back plates were made up the same way. The reason was the Bureau discovery of large numbers of inverts in the Fourth Issue (according to Martin Gengerke), almost all of which were recovered and destroyed. This new method of making up plates made inverts impossible. Face plate numbers seen from 1 through 72, back plate numbers (very rarely visible because they were normally trimmed off in the selvage) run from 1 through 62. Only the



Fifth issue 50-cents has portrait of William H. Crawford, secretary of war and treasury departments, 1815-25.

one major variety, though on this denomination as on the 10 cent and 25 cent, backs vary from light yellow-green to dark blue-green.

With passage of the long awaited Specie Resumption Act, fractional currency became obsolete and the long process of note retirement began.

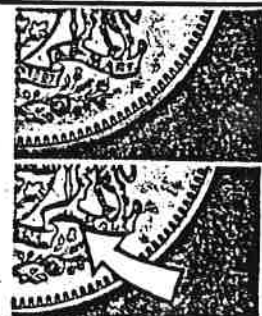
FLASH!

AN ERROR EXISTS ON THE
50c CANADIAN 1968
COIN

THE LETTER "A" IS MISSING
IN THE MOTTO ON THE RIBBON
UNDER THE LION IN THE SEAL!

Under the Unicorn there is a
ribbon with the words "AD
MARE"—In the Error Coin it
reads "D" MARE

"The Missing 'A'
1968 Half Dollar"



IT MAY BE RARE! NO ONE KNOWS
HOW FEW WERE MINTED.
NO COLLECTION COMPLETE
WITHOUT THIS VARIETY!

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The Fractional Currency Collectors Board (FCCB) is for anyone interested in collecting items which represent a unique experiment in American history. For fractional currency represents one of the earliest efforts by the United States Government to issue paper money, an effort which was the direct result of a major economic crisis--the virtually total disappearance of circulating coinage during the Civil War (which also gave rise to so-called "Civil War tokens").

The FCCB meets annually during the Memphis International Paper Money Show. Dues are \$15 for the FIRST year, which includes a nice booklet on fractional currency. Dues AFTER the first year are \$10 annually..

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NUMISMATIC COLLECTORS FORUM

Weekly Conference Schedule

All times are EASTERN STANDARD TIME (EST)

Ancient Greek & Roman Coins.....	Sunday	5 pm
Byzantine & Medieval Coins.....	Sunday	6 pm
Foreign (non-U.S.) Coins.....	Monday	9 pm
U.S. Coins (Regular).....	Monday	10 pm
Colonial Coins	Tuesday	9 pm
Errors & Varieties.....	Tuesday	10 pm
Foreign Paper Money	Wednesday	9 pm
U.S. Paper Money	Wednesday	10 pm
Obsoletes.....	Wednesday	11 pm
Coin Clubs.....	Thursday	9 pm
Shows & Auctions.....	Thursday	10 pm
Numismatic Literature	Saturday	8 pm
Odd/Curious/Primitive Money.....	Saturday	9 pm
Tokens/Medals/Decorations.....	Saturday	10 pm

Syngraphic Gleanings from the National Archives
by Dr. Glenn E. Jackson

**National Bank Note Co. Correspondence About
Fractional Currency Difficulties, 1862**

New York Nov. 24, 1862

Hon. S.P. Chase

Secretary of the Treasury

Dear Sir:

We are in receipt of a letter from Asst. Secretary Harrington enclosing copy of a letter from Thomas N. Rooker in relation to the use of green ink on the Postage Currency.

In a conversation with Third Asst. P.M. Zevely, at the time we received the order, we objected to using color on the faces of the stamps for the reason that color will not wear as well as black in printing, and the lower denominations of stamps would receive much harder usage than even the best carbon ink would bear; another reason—picture work—engraved portraits etc. should always be printed in black, while geometric lathe work—lettering etc. as on the backs of the currency will bear printing in colors without injury.

The green used upon the 10 ct. & 50 ct. currency is the same ink as used upon the backs of the Legal Tender \$2.s and is a pure color.

As we are requested to suggest a remedy—we would respectfully submit the reasons before stated, and suggest that the faces of the currency should be printed in the best carbon ink,—and the backs in color, retaining if desirable the colors now used, or substituting others.

Owing to its want of body and brilliancy, oxide of chromium ("patent green") will not answer for the faces.

The fact that the smaller the denomination of either note or currency, the greater its circulation & the more severely it is handled, induces us to wish to use a black ink, which will preserve the line engraving on the face of the currency as long as possible from obliteration, and thus protect the public and obtain from the circulation the greatest possible service.

Very respectfully

Your Obt. Servts.

J. MacDonough, *Secretary*

Washington Dec. 12, 1862

Hon. S.P. Chase

Secretary of the Treasury

Sir:

Being advised that a counterfeit U.S. fractional note has made its appearance in New York, which though a poor imitation, is calculated to pass with the general public, in

their careless manner the use of these denominations, I would respectfully suggest that efficient means be instituted by the Secretary to detect & bring the rogues to prompt punishment to the extent of the law. In this we would be happy to cooperate. An early & severe example might deter other attempts—though it can hardly be expected that such a circulation, & of such universal credit, will wholly escape the ingenuity of counterfeiters. It is not, however, at all probable that the counterfeiters will ever attain the proportions that bogus quarters & half dollars have to the genuine coins, while the paper counterfeits are more readily detected.

As the Secretary has been before advised, when their notes were originally ordered we suggested that the faces be in black carbon ink, as the most durable & best calculated to exhibit & maintain the most distinctive characteristics of line engraved portraits etc. while the back should be in colors, but the desire to conform as nearly as possible to the postage stamps proper prevailed. I would suggest that the present would be opportune for a change of colors—& which would be better than any change in form, as the people have become familiar with the present work & would be confused by any modification of it—(of which rogues would be pretty sure to take advantage)—while it is as well adapted to discourage the efforts of counterfeitors as any that could be substituted.

Respy. Yr. Obt. Srt.

F. Shepard

for Nat. Bk. Note Co.

American Bank Note Co. Correspondence About Security Paper Quality, 1862

New York 31st. May 1862

Sir:

In reply to your favor of 24th. inst. in relation to the paper for the 50 & 100 coupon bonds, I have the honor to state that the paper has been changed since those at first sent forward were printed, and I feel confident that we are now using is a superior article. It is made of the same material and in the same manner as the best quality of bank note paper, and I hope will be found satisfactory. It has to be wetted three times however in rapid succession in the process of printing, which is a severe test for any paper and particularly that which is just manufactured.

The first paper used and which I presume is that referred to in your letter was not made for this purpose, and has some cotton in it. We were compelled to commence with that paper as it was impossible to get the right size and quality made in time.

We shall feel bound to replace any that cannot be accepted, and we regret that you should have any just cause of complaint.

Very respectfully Sir

Your Obt. Servant

Tracy R. Edson, *President*

Hon. S.P. Chase

Secretary Treasury

Washington

*HAZELTINE SALE
OF 3/16-17-18/1881*

SECOND DAY'S SALE.

United States Fractional Currency.

FIRST ISSUE PERFORATED EDGES.

[All new and clean unless otherwise described.]

- 640 50 Cent; "A. B. C." on reverse: rare. ~~++~~
- 641 25 Cent; "A. B. C." on reverse: rare.
- 642 10 Cent; "A. B. C." on reverse: rare.
- 643 5 Cent; "A. B. C." on reverse: rare.
- 644 50 Cent; without A. B. C. on reverse: soiled; rare. S- +
- 645 25 Cent; without A. B. C. on reverse: rare. S- +
- 646 10 Cent; without A. B. C. on reverse: very rare. S- +
- 647 5 Cent; without A. B. C. on reverse: slightly soiled: rare. S- +

UNPERFORATED.

- 648 50, 25, 10, 5 Cent; A. B. C. on reverse; 4 pieces.
- 649 50 Cent; without A. B. C. on reverse: excessively rare.
- 650 25 Cent; without A. B. C. on reverse: excessively rare.

SECOND ISSUE.

- 651 50, 25, 10, 5; head of Washington; gold ring; rev., gilt figures in corners; 4 pieces.
- 652 50, 25, 10, 5; without the gilt figures in corners: very rare: the 50 cents particularly so; 4 pieces.
- 653 50 Cent; on paper that splits: very rare.
- 654 5 Cent; on paper that splits: very rare: soiled. S- +
- 655 50 Cent: the obverse has nothing printed on it except the gilt ring; rev., as usual; unique; the only specimen known: slightly soiled.

656 50 Cent; the obv. has nothing printed on it except the gilt ring, and the reverse nothing on it but the large black "50" and the small gilt letters "1863;" unique; the only specimen known; slightly soiled.

[The two preceding notes, being the only ones in existence, are certainly excessively rare and I have no reason to think that any others exist. To a collector of fractional currency they would prove invaluable, as the owner of them will have notes that no one else can possess.]

THIRD ISSUE.

- 710 657 50 Cent; Liberty seated; green back; no letters in corners.
 80 658 50; the same; gilt letters and figures in corners; thick paper.
 155 659 50 Cent; the same; red back; no letters or figures in corners; rare.
 15 660 50 Cent; the same; red back; gilt letters and figures in corners; "A 2 6 5;" slightly circulated; rare.
 85 601 50 Cent; the same; red back; gilt letters and figures in corners; "S 2 6 4;" rare.
 120 662 50 Cent; the same; red back; autographic signature of Colby and Spinner; no letters or figures in corners; very rare.
 70 663 50 Cent; the same; red back; autographic signatures; letters and figures in corners; soiled; 3 pieces.
 75 664 50 Cent; head of Spinner; green back; 50 at ends.
 15 665 50 Cent; the same; red back; letters and figures on reverse; rare.
 600 60 50 Cent; the same; red back; autographic signatures of Colby and Spinner; very rare.
 1.10 667 50 Cent; the same; altered green back; "50" in centre.
 35 668 25 Cent; head of Fessenden; green back.
 1.10 669 25 Cent; head of Fessenden; green back; gilt letters and figures in corners; scarce.
 80 670 25 Cents; head of Fessenden; red back; rare.
 671 15 Cents; Grant and Sherman; green back; narrow margins; pasted together; autographic signatures of Jeffries and Spinner; slightly soiled; very rare.
 3.30 672 15 Cents; the same; red back; lithographed signatures of Colby and Spinner; pasted together; slightly soiled; very rare.
 2.50 673 10 Cents; head of Washington; green back.
 10 674 10 Cents; the same; red back; rare.
 80 675 10 Cents; the same; red back; autographic signatures of Jeffries and Spinner; very rare.
 2.60 676 5 Cents; head of Clark; green back.
 5 677 5 Cents; the same; 2 notes not cut apart.
 35 678 5 Cents; the same; red back; rare.
 75 679 5 Cents; the same; red back; 2 notes not cut apart; very rare.
 25 680 3 Cents; head of Washington; large wig; light curtain.
 10 681 3 Cents; head of Washington; small wig; dark curtain; rare.

UNITED STATES FRACTIONAL CURRENCY.

23

FOURTH ISSUE.

- 55 682 50 Cents; head of Lincoln.
- 75 683 50 Cents; head of Stanton.
- 40 684 25 Cents; head of Washington; small seal; blue fibre at end.
- 40 685 25 Cents; head of Washington; large seal; blue fibre at end.
- 25 686 25 Cents; head of Washington; large seal; white paper; no blue fibre.
- 15 687 15 Cents; head of Liberty; small seal; blue fibre at end.
- 20 688 15 Cents; the same; large seal; white paper; no blue fibre.
- 15 689 10 Cents; head of Liberty; large seal; blue fibre at end.
- 15 690 10 Cents; the same; large seal; white paper; no blue fibre.
- 25 691 10 Cents; the same; small seal; blue fibre at end.

FIFTH ISSUE.

- 60 692 50 Cents; head of Crawford.
- 65 693 50 Cents; head of Dexter.
- 30 694 25 Cents; head of Walker.
- 30 695 10 Cents; head of Meredith; green seal.
- 10 696 10 Cents; head of Meredith; red seal; long key.
- 15 697 10 Cents; head of Meredith; red seal; short key.

FIRST ISSUE.

[Each of the following lots (except 701), comprise a face and back printed separately; wide margins; new and clean unless otherwise stated; all rare; particularly those on Confederate paper.]

- 50 698 50 Cents; Postal Currency.
- 25 699 25 Cents; Postal Currency.
- 10 700 10 Cents; Postal Currency.
- 10 701 10 Cents; reverse only; this design is not enclosed in a square as in the preceding; is slightly torn in one corner; extremely rare.
- 20 702 5 Cents; Postal Currency.

SECOND ISSUE.

- 75 703 50 Cents; head of Washington; gold ring.
- 40 704 25 Cents; on Confederate water marked paper.
- 15 705 10 Cents; on Confederate water marked paper.
- 10 706 5 Cents; on Confederate water marked paper.

THIRD ISSUE.

- 75 707 50 Cents; head of Spinner; green back; Conf. w. m. paper.
- 220 708 50 Cents; head of Spinner; red back; Conf. w. m. paper; autographic signatures of Allison and Spinner; very rare.
- 80 709 50 Cents; head of Spinner; altered green back; Conf. w. m. paper; autographic signatures of Colby and Spinner; very rare.
- 75 710 50 Cents; Liberty seated; green back; Conf. w. m. paper; autographic signatures of Colby and Spinner; very rare.
- 75 711 50 Cents; Liberty seated; red back; Conf. w. m. paper; autographic signature of Colby and Spinner; very rare.

(K)	135	712	25 Cents; head of Fessenden; red back; very rare.
"	3.05	718	15 Cents; Grant and Sherman; green back; autographic signatures of Allison and Spinner; <i>slightly</i> soiled; very rare.
"	3.05	714	15 Cents; Grant and Sherman; red back; autographic signatures of Allison and Spinner; <i>slightly</i> soiled; very rare.
"	10	715	10 Cents; head of Washington; Conf. w. m. paper; red back; very rare.
"	2.25	716	10 Cents; head of Washington; Conf. w. m. paper; red back; autographic signatures of Colby and Spinner; <i>excessively</i> rare.
Letter	55	717	10 Cents; head of Washington; green back; Conf. w. m. paper; autographic signatures of Colby and Spinner; very rare.
(K)	25	718	10 Cents; head of Washington; green back; Conf. w. m. paper; lithographic signatures.
Randall	12	719	5 Cents; head of Clark; red back; Conf. w. m. paper; very rare.
(K)	145	720	3 Cents; head of Washington; dark curtain; small wig; Conf. w. m. paper; very rare.

United States 1794 Cents.

[The following 1794 Cents are classified according to Dr. Maris' work and a number of new varieties not mentioned by him. It is the private collection of John W. Haseltine and are the finest that he could obtain in the past five years.]

Randall	2.85	721	No. 1; <i>head of 1793</i> ; hair improved by delicate tooling; planchet a little defective on edge at top; very fine; very rare.
"	3.55	722	No. 2; <i>double chin</i> ; slight rub on prominent part of hair; barely circulated; beautiful even light brown; very rare in this condition.
"	50	723	No. 3; <i>sans milling</i> ; (a misnomer as this shows the milling distinctly); fair; very rare in any condition.
"	2.05	724	No. 4; <i>titled 4</i> ; very good; nearly fine; very rare.
"	1.35	725	No. 5; <i>young head</i> ; die cracked through "E"; very good; nearly fine.
"	0.45	726	No. 6; <i>the coquette</i> ; very good; nearly fine; very rare.
"	2.25	727	No. 7; <i>crooked 7</i> ; bold impression; hair only slightly rubbed; brown; very fine; rare in this condition.
Long	12.25	728	No. 8; <i>crooked 7</i> ; uncirculated; beautiful light olive; extremely rare in this condition.
"	2.15	729	No. 9; <i>crooked 7</i> ; very bold impression; a few slight scratches on head otherwise very fine; rare in this condition.
"	12.75	730	No. 10; <i>pyramidal head</i> ; bold impression; uncirculated; beautiful light olive; extremely rare in this condition.
"	2.25	731	No. 11; <i>many haired</i> ; strong impression; very good; nearly fine; hair but slightly rubbed; very scarce.
"	3.25	732	No. 12; <i>scarred head</i> ; unusually bold sharp impression, and is really uncirculated, although the obverse is covered with small pin holes of corrosion; very rare as fine as this.

STEIGERWALT'S

18TH SALE

12/22/1883

FRACTIONAL CURRENCY.

114. Dye's Coin Encyclopedia. 1883. Over 1500 illustrations. Cloth. 1152 pages. Issued at \$5. Good as new.

Fractional Currency.

All new and crisp.

115. 50, 25, 10, 5 cents. First issue. Perforated edges. Rare. 4 pieces.
116. 50, 25, 10, 5 cents. First issue. Unperforated. 4 pieces.
117. 50, 25, 10, 5 cents. Second issue. Washington in gilt ring. 4 pieces.
118. 50, 25, 10, 5 cents. Second issue. Paper that will split. 4 pieces.
119. THIRD ISSUE. 50 cents. Justice seated. Red back. Autographic signatures of Colby and Spinner.
120. 50 cents. Justice. Green back. 2 pieces.
121. 50 cents. Spinner. Red back. Autographic signatures of Colby and Spinner.
122. 50 cents. Spinner. Red back. Autographic signatures.
123. 50 cents. Spinner. Red back. Autographic signatures.
124. 50 cents. Spinner. Red back. Autographic signatures.
125. 50 cents. Spinner. Green back. "50" in centre.
126. 25 cents. Fessenden. Green back. "50" at ends.
127. 25 cents. Fessenden. Red back.
128. 15 cents. Grant and Sherman. Green back.
129. 10 cents. Front and back pasted together; back slightly worn. Rare. Autographic signatures of Jeffries and Spinner. Red back. Autographic signatures of Jeffries and Spinner.
130. 10 cents. Washington. Red back. Autographic signatures of Colby and Spinner.
131. 10 cents. Washington. Red back. Lithographic signatures.
132. 5 cents. Clark. Obverse printed on thick cardboard. Scarce.
133. 5 cents. Clark. Red back. 2 pieces.
134. 5 cents. Clark. Green back.
135. 5 cents. Washington. Scarce.
136. FOURTH ISSUE. 50 cents. Lincoln. Scarce.
137. 50 cents. Stanton.
138. 25 cents. Washington.
139. 15 cents. Liberty.
140. 10 cents. Liberty. Two white, one pink paper. 3 pieces.
141. FIFTH ISSUE. 50 cents. Dexter.
142. 50 cents. Crawford.
143. 25 cents. Walker. 2 pieces.
144. 10 cents. Meredith. Green seal. 2 pieces.
145. 10 cents. Meredith. Red seal. 2 pieces.
The following are printed with broad margins, front and back separate.
146. 50 cents. Spinner. Red back. Autographic signatures of Allison and Spinner.
147. 25 cents. Fessenden. One obverse with two backs, red and green.
148. 15 cents. Grant and Sherman. Green back. Autographic signatures of Allison and Spinner. Very rare.
149. 5 cents. Clark. One obverse with two backs, red and green.
150. 3 cents. Washington. Dark curtain. Scarce.
The following are printed front and back separate, but with narrow margin.
151. 10, 25 cents. First issue. 2 pieces.
152. 50 cents. Spinner. Green back, "50" at ends.
153. 10 cents. Washington. Red back. Autographic signatures of Colby and Spinner.
154. 5 cents. Clark. Red back.
155. 3 cents. Washington. Dark curtain.
156. 3 cents. Washington. Light curtain.

from Gengenke
9/1/70

Auction results

Halpern paper money secures record prices

Individual lots as well as the auction itself set records for U.S. paper money March 17 as the Herman Halpern collection was sold in New York by Stack's.

Stack's reported a hammer price of \$1,206,333 plus 10-percent buyer's fee, breaking a record for a specialized paper money auction set in 1979 by NASCA.

"You get a really good collector collection and the collectors come out," said Harvey Stack. "It's a landmark sale."

He said collectors outbid dealers for many lots. The collectors were polite, congratulating each other on their winning bids. He described the more than 250 collectors in the room as the "real granddaddies of paper money collecting." He said dealers were also present, but collectors generally outbid them.

Individual records set included a \$30,000 bid for a believed unique cut sheet of Series 1914 Boston \$20/\$10 Federal Reserve double denomination notes sold as one lot of four pieces and \$30,000 paid for a Series 1882 \$1,000 gold certificate in Very Fine with pinholes described as the "finer of two in private hands."

Error notes were highlighted by a Series 1974 Dallas \$20/\$10 Federal Reserve note in Gem Uncirculated which sold for \$7,500.

A Series 1934D Kansas City \$5/\$10 Federal Reserve note error in Extremely Fine was bid to \$3,600.

Large size note highlights included one of six known Series 1861 Philadelphia \$20 demand notes which in VF was bid to \$13,000; an uncut sheet of four Series 1901 \$10 United States notes which in Gem Uncirculated realized \$37,000; a Series 1880 \$50 legal tender cut sheet in Gem Uncirculated which sold for \$24,000, and a Series 1880 \$1,000 legal tender note in VF which was hammered down at \$15,000.

A bid of \$7,500 was received for a Series 1864 \$20 compound-interest Treasury note in Extremely Fine with pinholes; an offer of \$21,000 was accepted for a Series 1899 \$5 silver certificate possibly unique uncut sheet of four in Gem Uncirculated, and \$16,000 was paid for a Series 1878

\$10 silver certificate in VF-EF counter-signed by J.C. Hopper.

A Series 1880 \$100 certificate of deposit in Choice Uncirculated, cataloged as "possibly the finest in private hands," was bid to \$17,000; a Nov. 30, 1870, \$5 First National Gold Bank of San Francisco note in EF sold for \$8,000 and a First National Bank of Denver \$2 "Lazy Deuce" national currency note with serial number 1 in VF realized \$14,000.

Small size notes included a Series 1933 \$10 silver certificate in Choice Uncirculated, which sold for \$12,750.

Among fractional notes was a Second Issue, 10-cent with Old Roman surcharge which brought \$2,700; a Third Issue, 25 cent, Friedberg 1296 (*Paper Money of the United States* by Robert Friedberg) which realized \$19,000; a Third Issue, 25 cent, Friedberg 1299 which brought \$3,200, and a 25-cent Friedberg 1300 which brought \$4,000. Each note is cataloged as Gem Uncirculated.

A Third Issue 50-cent, F.E. Spinner, Allison & New, Friedberg 1330 in Choice Uncirculated brought \$3,400; a Third Issue 50-cent, F. E. Spinner, Friedberg 1336 sold for \$3,400 in Choice Uncirculated, and a 50-cent Red Back, S-2-6-4, Justice in Choice Uncirculated, "nearly Gem," realized \$12,000.

A Third Issue 50-cent, Fiber Paper, Justice, Friedberg 1371 note in Choice Uncirculated, cataloged as "second finest known," sold for \$4,800.

The fractional currency presentation book given to Secretary of the Navy Gideon Welles sold for \$20,000 and the book presented to Superintendent of the National Currency Bureau Spencer M. Clark was bid to \$12,500.

One of two known 50-cent, Colby and Spinner, S-2-6-4, Justice experimental notes stamped SPECIMEN in purple with two half moon cancellations sold for \$1,800.

There were 922 lots in the auction. A 10-percent buyer's fee was added to all winning bids. Illustrated catalogs can be purchased for \$10 from Stack's at 123 W. 57th St., New York, N.Y. 10019-2280. ■

New Information on Fractional Currency

By M. R. Friedberg

D. W. Valentine¹ specified that all Second Issue notes were printed on plates of 25 subjects with the plate number appearing at the intersection of the lower left hand four notes. I have been puzzled by several unquestionably genuine sheets of notes that do not have plate number in the correct position. Several sheets have appeared without plate numbers, whereas others have had the plate number at the lower sheet edge between the first and second note from the edge. Discovery of an October 1, 1864 inventory of engraved plates in the printing bureau of the Treasury Department has now solved this mystery.

The inventory listing shows that the 5c and 10c plates were made for 20 subjects, for 25 subjects and some for 50 subjects, while the 25c and 50c were made in 20, 25 and 40 subjects contrary to Valentine's statement of only 25 subject plates.

Other comments in a Congressional investigation (28th Congress, 1st Session, Ex-Documents #50 and #140) indicate that the large plates of 40 or 50 subjects were intended for use in the hydrostatic (dry process) presses but were actually usually used with half-size sheets of paper! Apparently problems in both paper production and in printing press adjustments made it necessary to use smaller size sheets most of the time. Later inventories indicate that full sheets of 40 and 50 were printed, but Treasury records normally indicate smaller sheets.

Apparently the plates of 20 subjects for the 5c and 10c were intended for specimens and shields, as were the 25-subject plates for the 25c and 50c. It might be further assumed that the specimen plates were in process at inventory time since the special plates did not exist for both obverse and reverse of each note.

A further oddity of the Second Issue has been the appearance of a gold or bronze rectangle approximately $\frac{3}{8}$ " high by 1" long with the legend "Treas Dpt" inside the rectangle (see V19E).¹ The device is found in the corner of the note and is found on either obverse or reverse. The mystery surrounding this device's appearance on Second Issue fractional currency was cleared up through the testimony of William H. Coleman (Assistant Clerk, Paper Department, October 1866 to May 1865), as reproduced in Document #273 of the 3rd session of the 40th Congress.

"Answer: . . . Our idea was not but that any stamp which was put on to the paper could be counterfeited, but that if it were done we could bring to bear on those who did it the counterfeiting laws the punishment for counterfeiting. The law provides for distinctive paper. They had no distinctive paper; it was such bank note paper as is used by all bank note companies for printing. But by taking it and imprinting it with a treasury stamp and making

it treasury paper we did make it really a distinctive paper.

Question: What species of a device was this, that you put upon the paper in your office, before you delivered it out?

Answer: It was a small simple stamp, consisting of a rectangle with "Treas Dpt" inside of it, which was printed on the corner, and intended to accompany it all through its different stages.

Question: During the time that system was in operation under Mr. Drummer and yourself, how did it work, practically?

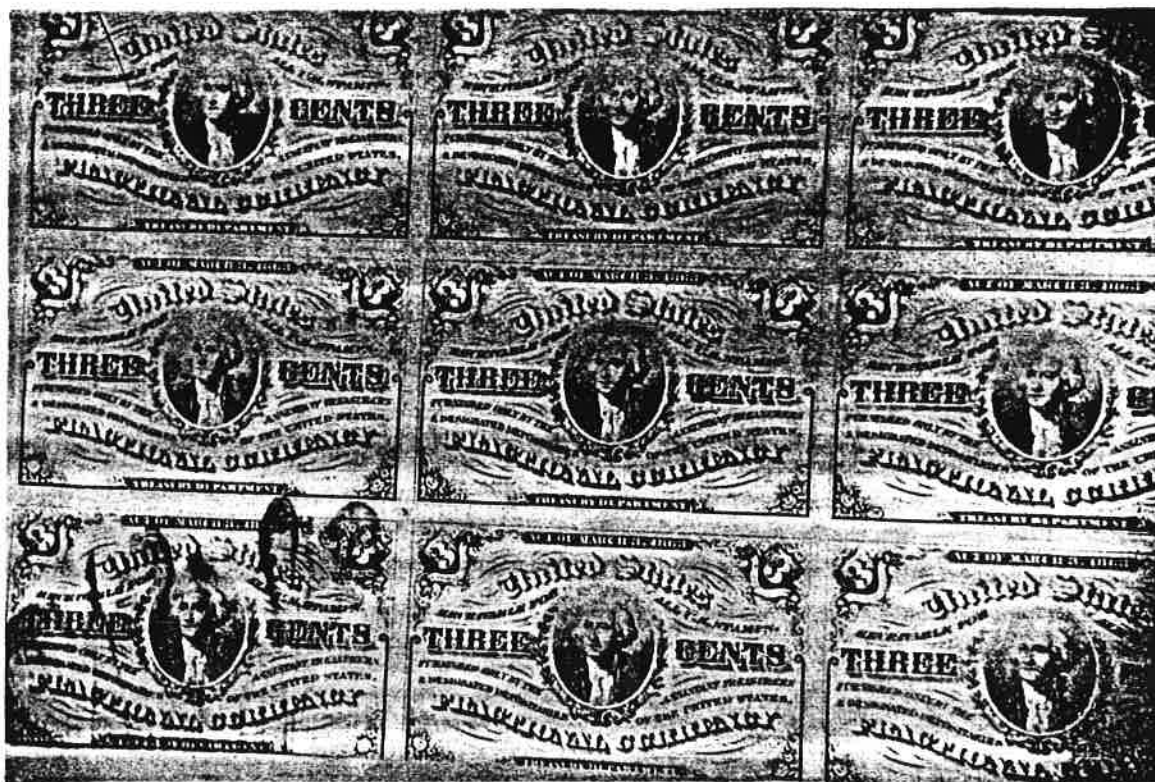
Answer: So far as I know, it worked well."

In going through the bronzing process, the rubber stamped device became bronzed along with other things to be bronzed. It is obvious that the examples of this device were not always properly trimmed off the selvage of the paper. In fact, the paper counters were apparently lax and sometimes stamped the device into the printing area. Valentine refers to a red device (V17F)¹ on some notes, and we can assume that this device was used when counting completed sheets of printed notes during Coleman's tenure in the Department under S. M. Clark from February 1864 to May 1865.

Through the efforts of Mr. Floyd Dill of Bridgeton, N. J., I was able to photograph a copy of a 50c Liberty 3rd issue note having a red reverse with the autographed signatures of Colby and Spinner on the obverse. The reverse has the bronze letters S-2-6-4 in the corners and the obverse has contemporary writing in the borders saying: "Very rare, from Wm. at Washington Nov. 1864, Autographed—not issued." This written information further substantiates the date published on page 49 of PAPER MONEY #22 Vol. 6, Issue 2, 1967, that the first printing of this note was November 14, 1864 and that the first note issued was Friedberg 1357, Valentine 48.¹

In a discussion of the printing dates of 50c, 3rd issue, S. M. Clark (page 136, note 23, Report 273 of 40th Congress, 3rd Session) reported that he had made an experimental printing of notes on November 14, 1864. Three hundred and sixteen sheets having a value of \$6 per sheet (or 12 subjects per sheet) were printed, and he delivered 255 sheets to the treasurer. Ten sheets were retained in the printing department's vaults and 51 sheets mysteriously disappeared and were believed to have been destroyed. There was a total possible issue of 316 sheets making possible 3,792 total notes now identified as #F 1357. However, Clark stated that only 255 sheets were "fit to issue" giving us an exact issue of 3,060 notes having a value of \$1,530 sent to the treasurer.

Clark then goes on to say that production of regular notes didn't commence until January 14, 1865, with first



Normal plate number location

delivery to the Treasurer on February 15, 1865. We can assume that notes issued after February 15 were the regular Justice notes. Final substantiation is contained in a copy of the *Bankers Magazine*² for March 1865 (page 688) in which they announce a new Fractional Currency and describe the 50c Liberty having a red back with letters S-2-6-4 in the corners (F 1351-4).

Further, the Spinner notes replaced the Justice notes after September 21, 1867 when Colby left office and before August 10, 1868 (the date of the plate inventory in Ex. Doc. 45 of 40th Congress, 3rd Session). The inventory lists the 3rd issue Spinner obverse plates, the old design 50c reverse plates and the "new" designed 50c reverse but does not list the Justice 50c obverse. We can therefore be assured that printing of the Justice notes was discontinued before August 1868 and before Jeffries' term of office which started in October 1867. Fifty-cent Spinner notes with Colby's signature were regularly issued, and thus the Spinner notes must have replaced the Justice notes before Jeffries came to office or Colby wouldn't have signed the regularly issued Spinner notes.

The *Bankers Magazine* article of March 1865 goes on to state: "The twenty-five cent notes are nearly quite finished, but have not yet reached this city. They are to be shorter than the fifties while the tens and the fives are to be relatively still shorter. It is understood that the principle of historical illustration adhered to in the designs of the national currency has been extended in some of its features to all the new fractional notes."

This comment lends credence to the previously published opinion that the 5c Clark was supposed to have been the vignette of the Clark from Lewis and Clark

rather than S. M. Clark of the Bureau of Printing and Engraving. However, it does open the question of who (or what) should have been illustrated in place of Fessenden on the 25c note!

Returning to the 50c S-2-6-4 note (F 1357), another significant point is made that the "S" of S-2-6-4 cannot refer to September since the notes were printed in November. The "S" could refer to silk as the material imbedded between the two layers in making membrane paper. Testimony in later investigations pointed out that silk fibers tend to flatten out whereas jute fibers are round and retain their shape. Close investigations of the fibers in the S-2-6-4 notes indicate that they appear to be silk threads and that the "S" could therefore indicate silk. The "2" would then indicate either two thicknesses of paper or the 2nd experiment in the series with the "6" and "4" obviously the year of 1864. However, investigation of the A-2-6-5 notes indicates that there are no fibers in the notes, except for the F 1370-73 series (V 42-42C) which are 50c Liberty notes with green reverses. These F 1370-73 notes are on paper identical to the S-2-6-4 paper of F 1357. The obvious assumption is that Walter Breen's comments³ that F 1370-73 are error notes and should bear the S-2-6-4 marking are positively correct.

The August 10, 1868 inventory specifically lists the new design 50c reverse as "used on specimen head" and encompasses a total of 22 plates serially numbered from #1 to #22. This indicates that these plates were just being produced, whereas the old design 50c reverse inventory of 44 plates from plate numbers 1 to 94 with various missing plate numbers would indicate that certain plates had been withdrawn. Further substantiation is given by Valentine's¹ listing the existence of notes with old



Friedberg 1357 obverse



Friedberg 1357 reverse

design reverse plate #2 which is not listed in this government inventory. Valentine also lists notes with new design 50c reverse plates of #24 and #26 which weren't yet included in August 10, 1868. He also lists obverses with plate numbers higher than those shown on the inventory, thus substantiating the issue of the new design 50c reverse after the inventory date. Positive indication that the regular printing of the new design 50c reverse didn't start until after August 10, 1868 is that plate #24 Spinner obverse which was used on the old design 50 reverse was not included in the inventory and must have been used after August 10, 1868. We can safely state that:

1. F 1339-42 50c Spinner new design reverse (V44-44g) were regularly issued at some date after August 10, 1868 and before October 15, 1869 (end of Jeffries' administration).
2. Specimens of the new design 50c reverse were issued prior to August 10, 1868 and probably during early 1868.
3. Justice 50c notes were discontinued prior to August 10, 1868.

The finding of Jeffries-Spinner signature on specimens and shields indicates that shields were definitely issued during the Jeffries' administration of October 5, 1867 to March 15, 1869.

During the investigation detailed in Doc. 273 of the 40th Congress, 3rd Session, a Mr. Thomas W. Fowler of the auditing staff was questioned and in his answer further proved that the shields were printed at the Bureau when he testified:

"Answer: The amount on hand as per account was 33,500 while the amount on hand as per inventory was 33,600. On page 90 in the account of plate paper, 24 by 30.

Question: What kind of paper was it?

Answer: Very heavy paper, used for printing the tablets on which specimens of fractional currency were pasted. I did not make a personal examination of it. I merely entered it as it appeared in the book and balanced it by the book without any inventory. It was very heavy paper, 200

Fifty-Cent Postage Currency Research: The Mystery of the Fifty-Cent Perf. 14 Resolved

by MILTON R. FRIEDBERG

FIFTY-CENT postal currency notes issued in August of 1862 and through the final delivery to the Treasurer of the United States on May 27, 1863 were printed either by the National Bank Note Company (NBN Co) or by a combination of the American Bank Note Company (ABN Co) and the National Bank Note Company. The notes were first issued imperforate, then perforated and finally reverted back to the perforated version.

We are specifically interested in a perforation variety of the 50¢ note having its face (or obverse) printed by NBN Co. and its reverse printed by ABN Co. with a script "ABC" appearing in the lower right corner of the back (or reverse). The edge of this note was perforated with 14 holes per 20 millimeters as contrasted to 12 holes in the common notes. This note is listed in various catalogs as: Milton 1R50.3d, Friedberg 1310a, Valentine 4b, Limpert A4f, Raymond 4a, Sch. 4a, Schultz 104b.

The first published hint of the future note came in 1888 with the sale of a full sheet of 50¢ notes "imperforate with face plate number 23." In 1889, Harlan P. Smith's fixed price list shows 50¢ postage currency with "small holes" as single notes at a small price advance over the regular notes. Because one of the known notes has face plate number 23, it thus leads to the hypothesis that this sheet of 1888 could have been privately perforated for the order of Harlan P. Smith's account. A further suspicious circumstance strengthens this hypothesis in that Smith's former partner in his numismatic dealings was H. G. Sampson. Mr. Sampson's main income was produced from his sales of printing presses. Sampson can be presumed to have known the bank note engraving companies and theoretically could have had access to a rotary perforator.

On January 20, 1890, the note first appeared at auction in the sale of the Robert Coulton Davis collection conducted by Harlan P. Smith as lot 2805. It is described as "50 cents with 'ABN Co,' small perforations, 'rare'" and realized a price of \$1.30!

Notes currently in known collections and descriptions from past auctions show the sheet edges (selvage) attached to many notes. When all known notes are listed, they seem to constitute a single sheet that was broken up and distributed to various collectors. No duplicate position notes have been described in the literature or have been seen, thus reinforcing the single sheet theory.

The original rotary perforating machines were designed, patented and produced in England. British patent No. 2607 dated 8 June 1855 was issued to W. Bemrose based on a submission of 11 December 1854. As early as 1857, the U.S. firm of Toppan, Carpenter & Co. (printers and engravers of U.S. postage stamps and fiscal paper) were producing U.S. postage stamps perforated with a rotary perforator having

15 holes in 20mm (20-21 holes per inch). In 1858, the "American Bank Note Companies" were using a machine that produced 11 1/4 holes in 20mm (15 holes per inch). "Comb" or "stroke" perforators were already in existence but were not considered satisfactory for stamps or notes. Only one partial vertical or horizontal row could be produced per stroke due to the inherent nature of the machine. The comb perforator was a series of small punches looking much like a hair comb. It moved vertically on guides to drive the punches into a series of holes that precisely matched the size and position of the descending comb. A characteristic of the stroke perforator is that it punches a perfectly round hole and rarely leaves torn paper edges around the hole. Long stretches of perforations rarely maintained perfect spacing or straightness since they were accomplished by manually moving the sheet to a new position between each stroke of the comb machine.

The bank note and stamp printing companies never considered the use of a comb perforator since the labor involved in using the comb machine was excessive. The Bemrose rotary patents were not protected by law in the U.S. Bemrose sold a machine to Toppan, Carpenter, and local copies of the machine were made for other printers. The principle of the machine's operation was that of two meshing gears on parallel shafts. One gear had a series of punches instead of teeth that slipped into mating holes in the second gear-like wheel. Obviously by placing a series of male punch wheels on one shaft and a mating series of female wheels on the other shaft, rotary motion applied to either shaft would turn the second shaft in concert. This design allowed the perforating of all the vertical or horizontal rows of a sheet at one time. Two passes of the sheet through the perforator produced a complete sheet with holes perfectly spaced and parallel. An illustration of the American Bank Note Co. machine in use on what appears to be postage currency appears in the February 1862 issue of *Harper's* magazine. An identifying characteristic of the rotary perforator is that the punched hole is slightly oblong with its long axis in the direction of wheel rotation. Further, the entering edge of the male punch into the female is normally a clean cut of the paper while the trailing edge normally leaves a slightly ragged edge on the paper.

Research in the U.S. stamp catalogs indicates that all stamps produced by Toppan, Carpenter and Co. prior to 1858 were perforated 15 1/4 gauge (19-20 pins per inch). American Bank Note's were 11.6 gauge (14 1/2 pins per inch) until a second perforator was put in service during the last two months of 1861. This second machine was gauge 11.85 (15 pins per inch). The normal perforation gauge would class all of the American Bank Note machines as perforating gauge 12 per 20mm (sophisticated gauges such as the Stanley Gibbons "Instanta" allow the exact measurements listed above). In 1863, a third machine was added to the group made in the U.S. This machine produced a gauge of 11.95 (15.25 pins per inch). In summary, the postage currency notes completely produced by the National Bank Note Co. and perforated by them in 1862 and/or 1863 should indicate that they were perforated on a 12 gauge rotary machine. Those notes printed by the combination of National and American Bank Note Co. have similar perforations and checking of many copies of these notes confirms the data.

How to Detect Damaged, Altered, and Repaired Stamps, by Paul W. Schmid.

Early American Perforating Machines and Perforations, 1857-1867, by Winthrop S. Boggs.

Archives of the American Numismatic Society.

Research assistance from Martin Gengerke.

The Story of the American Bank Note Company, by William N. Griffiths.

CONFEDERATE POSTMASTER CURRENCY

A number of postmasters in the Confederate States of America issued small denomination currency to meet demands for change in the business operation of their local post offices. This currency either indicates that it is redeemable for postage, or is signed by the postmaster, or bears the post office date stamp, any one of which identifies it as postmaster currency. The date of issue should also be of the Civil War period of December 20, 1860 to June 2, 1865.

Confederate stamp collectors through their collector society, The Confederate Stamp Alliance, periodically issue the standard catalog of Confederate stamps under title of *Dietz Confederate States Catalog*. This catalog includes a listing of known paper currency issued by Confederate postmasters. An appeal is made to *Paper Money* readers for any information on such currency. Please send details to:

Everett K. Cooper
19622 Pinehurst Trail Drive
Humble, Texas 77346

DRAFT - Dietz Confederate Catalog Revision

#1 Aberdeen, Mississippi
Postmaster - M. Gattman
Issued - September 1864
10¢

#2 Bladen Springs, Alabama
Postmaster - D. Partridge
Issued - 1862
10¢
50¢

#3 Columbia, Texas
Postmaster - W. F. Swain
Issued - 1862 & 1863
10¢
50¢

#4 Cork, Florida
Postmaster - William C. Brown
Issued -

10¢
25¢

#5 Fort Smith, Arkansas
Postmaster - Tom Vernon
Issued - May 1863
10¢

-6 Front Royal, Virginia
Postmaster - Gideon W. Jones
Issued - September 1861
(G.W. Jones was merchant and postmaster; notes are stamped on the reverse with Front Royal circular date stamp. Numerous paper and printing varieties.)

5¢ Sept. 2, 1861
10¢ Sept. 10, 1861
25¢ Sept. 2, 1861
50¢ Sept. 5, 1861
\$1 Sept. 5, 1861

#7 Little Rock, Arkansas
Postmaster - William F. Pope
Issued - October 1862

10¢
25¢
75¢

#8 Manchester, Virginia
Postmaster - E. Matthews
Issued - April 4, 1862

20¢

#9 Mobile, Alabama
Postmaster -
Issued -
1¢

#10 New Orleans, Louisiana
Postmaster - John L. Riddell
Issued -

(Printed on small cards of different colors, not dated, signed by Postage Clerk Edward Rapier or L. S. Riddell or sometimes by postmaster. Postmaster name embossed as protection against fraud. Most denominations never released, those released are marked with asterisk (*).

½¢
* 1¢
* 2¢
* 5¢
10¢
12¢
15¢
20¢
24¢
25¢
48¢
50¢
100¢
200¢
400¢
500¢

#11 Port Hudson, Louisiana
Postmaster - J. B. Aburer
Issued - Dec. 25, 1862

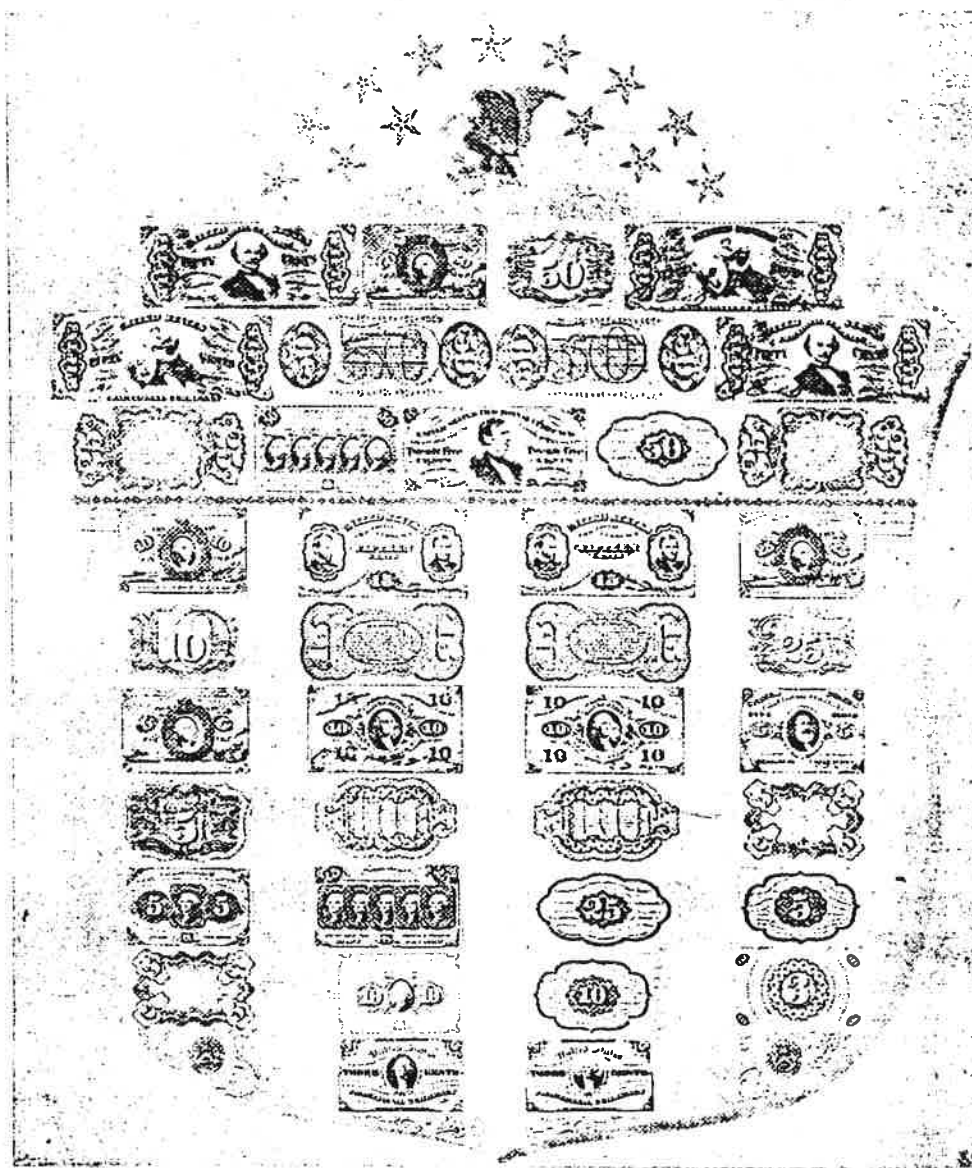
5¢
10¢

#12 Sangersville, Virginia
Postmaster - N. L. Blakemore
Issued - Nov. 1, 1861

20¢

The Hidden Engraving on the Fractional Currency Shield

By Brent H. Hughes

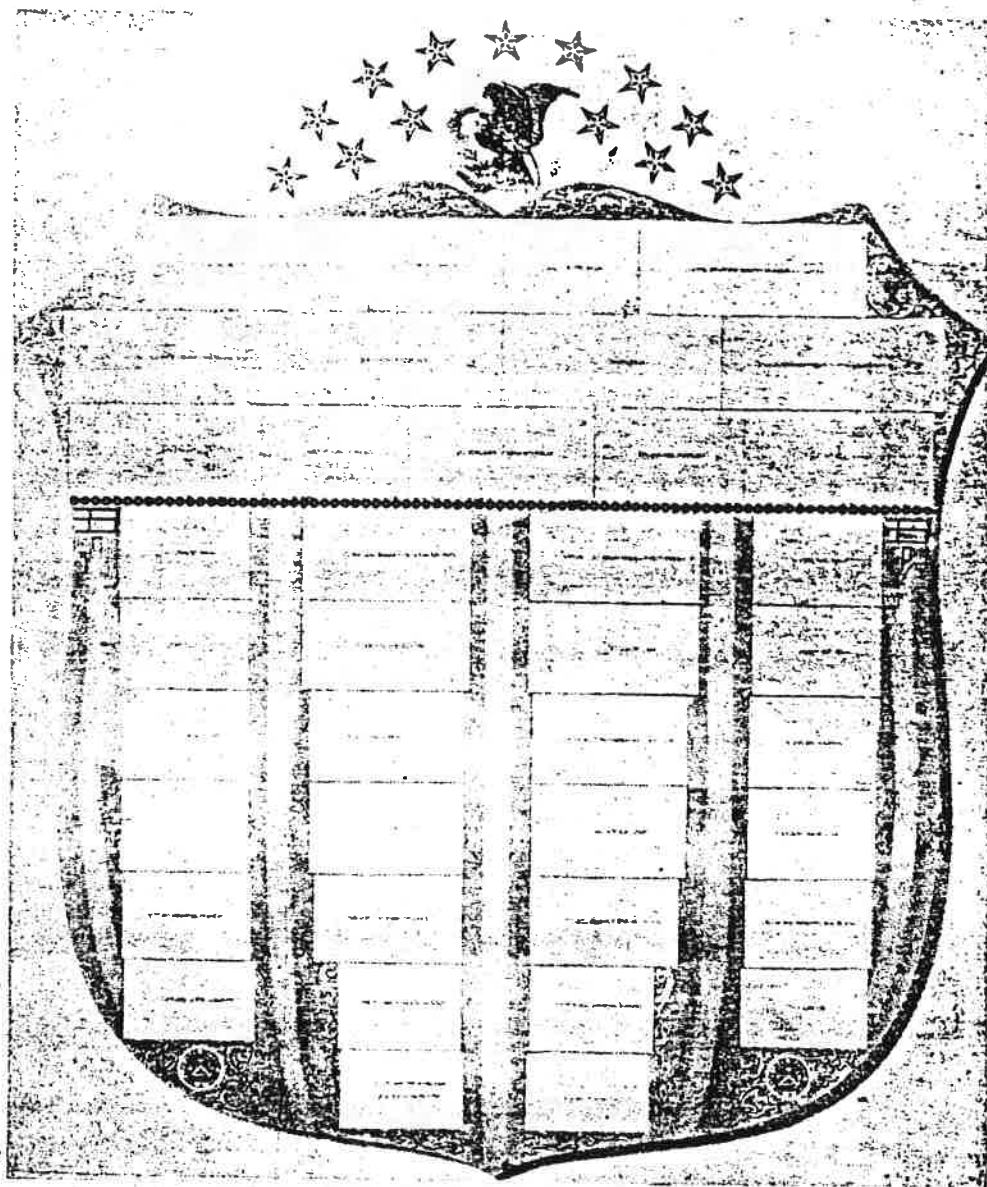


The complete Fractional Currency shield with all 39 notes in place

For those not familiar with the Fractional Currency Shield, a brief explanation is in order. Fractional Currency was in effect "paper change"—paper money in denominations less than one dollar—issued by the U. S. Government during and after the Civil War to alleviate a serious coin shortage. Along with the notes intended for circulation, the Treasury Department printed uniface impressions (front and back on separate pieces of paper) called specimen notes which were sold to the public. The shield was an engraving, on heavy paper, in the shape of a large shield with an arrangement of

thirteen stars and an eagle at the top. Spaces were left on the engraving in which Treasury employees pasted 39 specimen notes, 20 obverses and 19 reverses. Overall size was about 20 by 24 inches.

Some authorities say that the shields were made to assist bankers in identifying counterfeit fractional notes. Others believe they were simply decorative items intended for bank offices. Perhaps they were financial souvenirs of the Civil War monetary crisis, since only the three issues which circulated during the War were used on the shields. In any event, they are highly prized



The shield with all notes removed

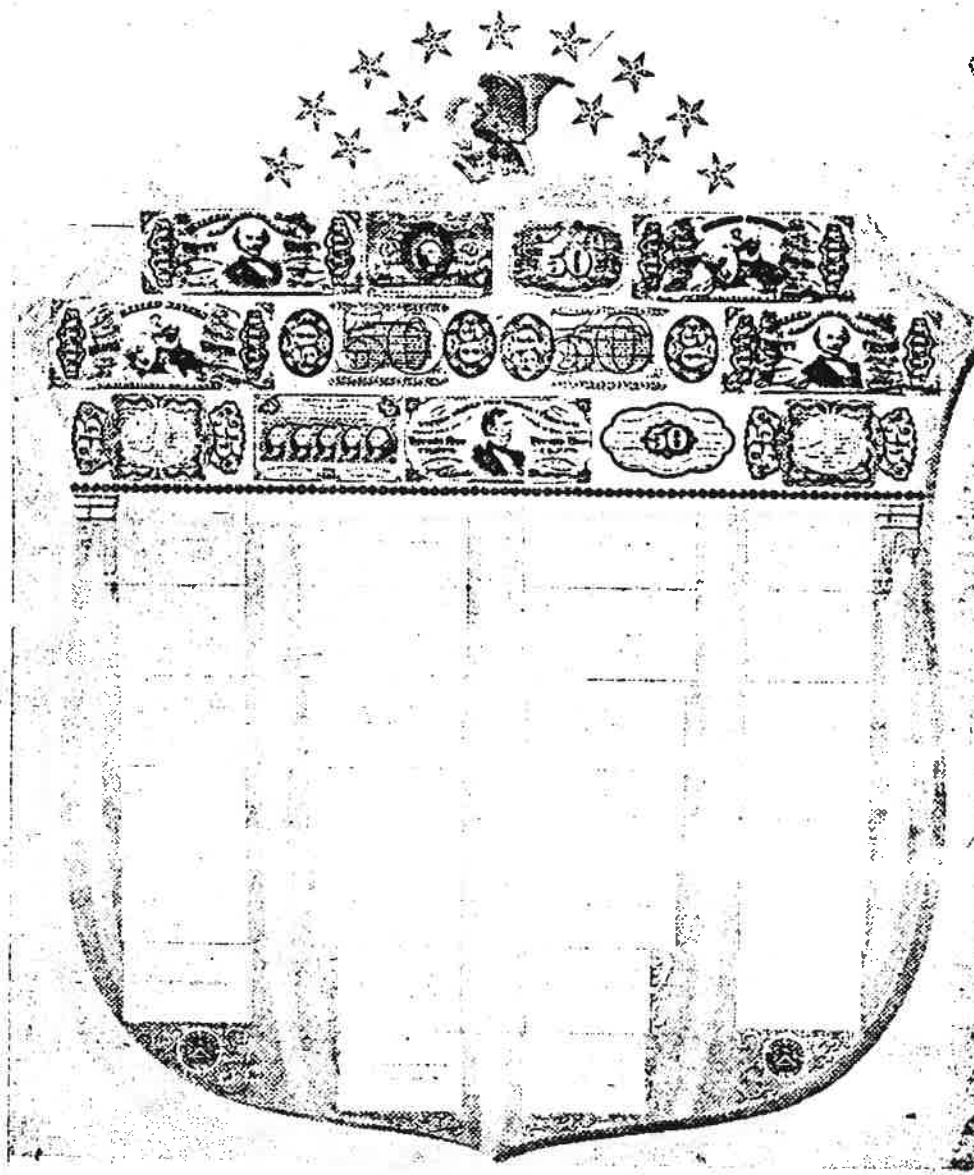
today and no collector of Fractional Currency considers his collection complete without a shield on his wall.

Mr. Theodore Kemm in his article "The Fractional Currency Shield" (PAPER MONEY, Summer, 1964, Vol. 3, No. 3) offered a number of ideas which deserve further research. He, along with other collectors, has seen specimen notes that have been removed from a shield that bear on the reverse the offset image of tiny lettering from the engraved background of the shield. This indicates that on the original engraving each note had a designated place with the denomination and issue spelled out, which guided the workers in pasting the notes on the shield.

Recently while repairing a badly damaged shield I decided to remove all the notes from the background in order to examine and photograph this lettering. The stubborn adhesive made it impossible to save all the

tiny letters, but enough were preserved to make an accurate listing of the titles as they were originally engraved. Mr. Kemm is quite correct in his theory, as the titles were obviously for guide purposes. The engraver spent very little time on the lettering; it is strictly utilitarian, being simply a skeleton-type engraving with no top or bottom horizontal strokes. Quite obviously they were never meant to be seen by other than Treasury employees.

It is interesting to see the terminology used. Some titles, such as the "Light Background" and "Dark Background" in reference to the Washington portraits on the 3c notes, are still popular today. Others seem strange—for instance, the use of the word "old" in describing the second issue bronze-oval notes. At first I thought this might be the word "gold" with the first letter somehow missing, but further down we find "5 CT. RE. NEW RED," so "old" is correct. The use of "OB" (obverse)



The shield with one-third of the notes attached

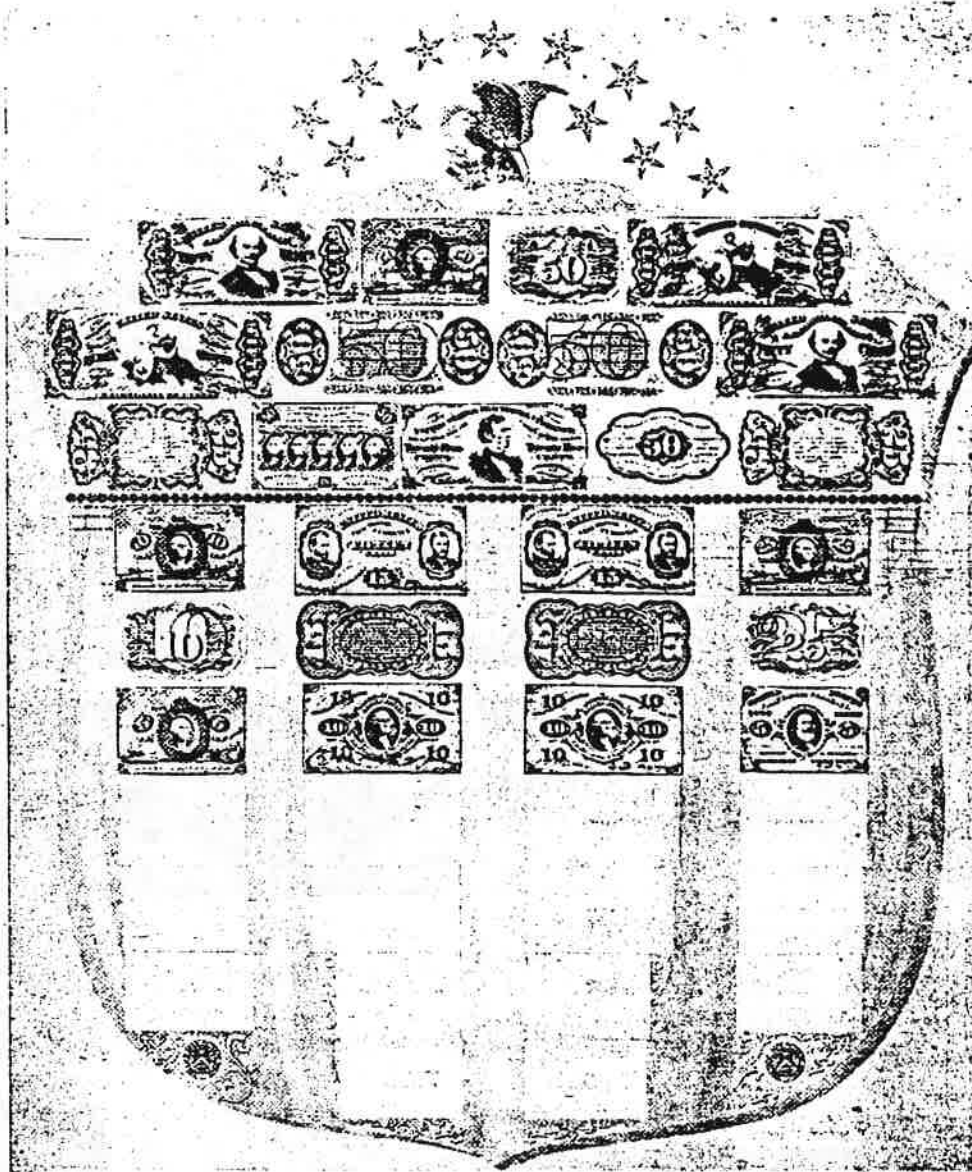
and "RE" (reverse) instead of "front" and "back" should also be noted. The general format uses the word "postal" in describing the First Issue notes, the word "old" in describing the Second Issue, and more or less descriptive words plus the word "new" in describing the Third Issue. The Fourth and Fifth Issues were, of course, not used on the shields.

An obvious advantage of the skeleton lettering is that the title would not show thru the note pasted over it. The tiny thin-line lettering simply vanished in the adhesive, apparently as the engraver planned.

Shields were assembled by female employees using an adhesive similar to what we now call "wheat paste." They worked from the top down, absorbing minor variations in note size by overlapping where necessary. The space layout of the shield appears to have been made using measurements of the notes furnished to the en-

graver rather than the notes themselves, as some errors occurred. The most obvious is in the second row where the spaces allotted for the two outer notes are too small. The mounted notes overlap the spaces by over one-half inch into the decorative design of the background.

Much has been written about the reason for printing the shields in three colors—the so-called pink and gray, and the green. It would appear that after the engraving plate was finished and approved, the question arose as to which color would be most suitable to enhance the mounted notes. In the regular course of business, black, red and green ink was on hand. I suggest that orders were issued to run off a few in each color for the officials to examine. This was done, and after the usual top-level deliberations, the black ink was selected for the production run. The fine lines of the engraving create the illusion of being gray, just as the red ink appears to be pink. So the pink and green shields may be classified as



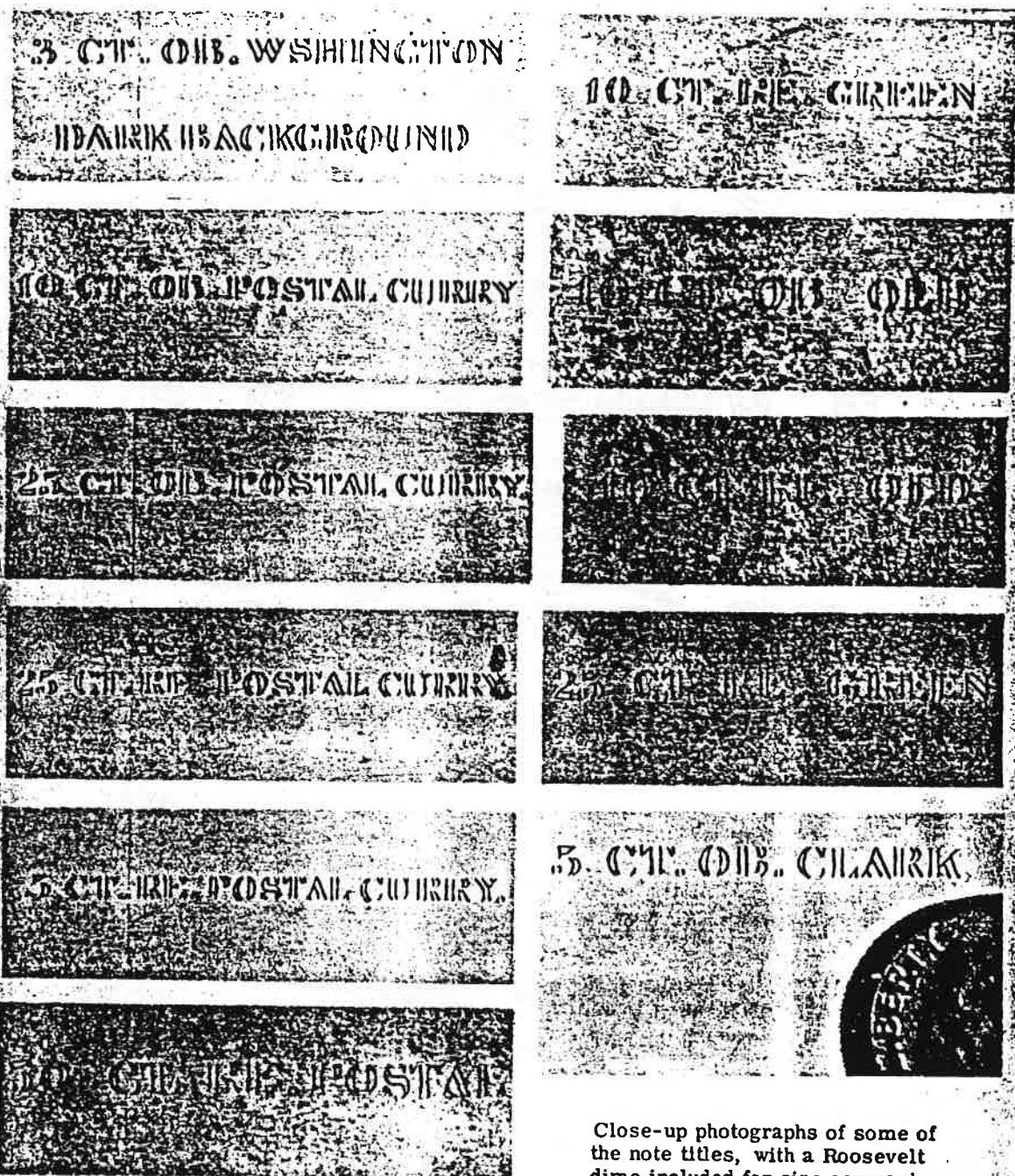
The shield with two-thirds of the notes attached

trial pieces in a sense, possibly issued later to special friends of the Treasury Department. They are much more rare than the gray today, with some specialists estimating 500 to 750 of the gray compared to 15 to 30 of the pink and 10 to 20 of the green. Especially clean shields bring high premiums when they are offered today, with the pink and green ones substantially more expensive than the gray.

Another item that needs mentioning again is the unfortunate use of the term "original frame" when describing the shields. There is no proof to my knowledge that the Treasury Department framed the shields before sale—in fact there is some evidence to the contrary. I suggest this: suppose the Treasury Department was asked by the White House to furnish a shield for presentation to a visiting banker (especially a heavy contributor to a political campaign). The bare shield would look a little unfinished as a formal gift, so the

Treasury officials would have it placed in an ornate frame under glass before sending it over to the President's office. To suggest that the shields were framed in quantity by the Treasury does not hold up. The typical frame shop would logically use the same style moulding for each contract, yet today one seldom sees two frames alike. In addition, Mr. M. R. Friedberg has recently unearthed two issues of *Mason's Coin and Stamp Collectors' Magazine* for 1868 in which dealers use the phrase "Shields for Framing" and the statement "Shields are not framed." It is not likely that a dealer would buy the shield framed from the Government, remove the frame, and sell the shield bare. More likely he sold the item as he received it from his source.

Another point worth making is the Government sale price. A Treasury Department letter dated May 28, 1868 states the shields were "sent free of express charges for four and 50/100 dollars each." Even in those times it is



Close-up photographs of some of the note titles, with a Roosevelt dime included for size comparison

difficult to see how this price could cover the shield, the ornate frame, a substantial shipping crate to protect the glass, and the express charges. More likely each buyer of a shield had it framed in his locality. I have removed the back of three shields and found old paper dated 1907 and 1908. It seems to me that a better term to use now would be "contemporary frame" for the old-style frame, and "modern frame" for one made today.

Getting back to the tiny lettering behind each note, we find the titles more or less centered in each space. The letters a uniform one-sixteenth inch in height, and only one error in spelling—in the bottom row the left title has Washington spelled "WSHINGTON". The engraved

titles as they appear on the blank shield are as follows, reading from left to right in horizontal rows from top to bottom:

First Row:

- 50 CT. OB. SPINNER ENGRAVED SIGNATURES
- 50 CT. OB. OLD
- 50 CT. RE. OLD
- 50 CT. JUSTICE WRITTEN SIGNATURES

Second Row:

- 50 CT. JUSTICE ENGRAVED SIGNATURES
- 50 CT. RE. GREEN
- 50 CT. RE. RED
- 50 CT. SPINNER WRITTEN SIGNATURES

Third Row:

25 CT. RE. GREEN
50 CT. OB. POSTAL
25 CT. OB. FESSENDEN
50 CT. RE. POSTAL
25 CT. RE. RED

Fourth Row:

10 CT. OB. OLD
15 CT. OB. WRITTEN SIGNATURES
15 CT. OB. ENGRAVED SIGNATURES
25 CT. OB. OLD

Fifth Row:

10 CT. RE. OLD
15 CT. RE. GREEN
15 CT. RE. RED
25 CT. RE. OLD

Sixth Row:

5 CT. OB. OLD
10 CT. OB. WRITTEN SIGNATURES
10 CT. OB. ENGRAVED SIGNATURES
5 CT. OB. CLARK

Seventh Row:

5 CT. RE. OLD
10 CT. RE. GREEN
10 CT. RE. RED
5 CT. RE. NEW RED

Eighth Row:

5 CT. OB. POSTAL CURRY.
25 CT. OB. POSTAL CURRY.
25 CT. RE. POSTAL CURRY.
5 CT. RE. POSTAL CURRY.

Ninth Row:

5 CT. RE. NEW GREEN
10 CT. OB. POSTAL CURRY.
10 CT. RE. POSTAL CURRY.
3 CT. RE.

Tenth Row:

3 CT. OB. WASHINGTON
DARK BACKGROUND
3 CT. OB. WASHINGTON
LIGHT BACKGROUND

Addenda to Cardboard Currency

By Brent H. Hughes

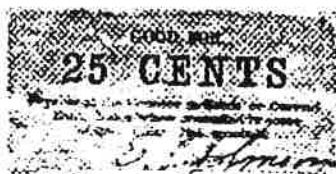
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22



23



24

The following three items, submitted by Maurice A. Burgett, should be added to the list of Civil War cardboard currency published in PAPER MONEY No. 39:

22. "Good for 2 cents, J. W. Tufts" (printed signature, "Redeemable at any Store in Medford" (assumed Massachusetts). Orange, round, one and one-eighth inches diameter. Circle line border; entire design hand-drawn, no type used.
23. "WE OWE YOU 3 CENTS. H. J. & G. M. WALSH. Large "3" at left. Dark blue, oblong, one and seven-eighths inches by one and one-eighth inches. Autograph "H. J. & G. M. W." in black ink on back.
24. "GOOD FOR 25 CENTS Payable at the Counter in Goods or Current Bank Notes when presented in sum of one dollar and upwards." E. S. Johnson autograph in black ink on fine-line at bottom. Yellow, two inches by one inch.

The origin of the dollar sign has been variously accounted for, with perhaps the most widely accepted explanation being that it is the result of evolution, independently in different places, of the Mexican or Spanish "P's" for pesos, or piastres, or pieces of eight. The theory, derived from a study of old manuscripts, is that the "S" gradually came to be written over the "P," developing a close equivalent of the \$ mark, which eventually evolved. It was widely used before the adoption of the United States dollar in 1785.

WANTED YOUR CHOICE NUMISMATIC MATERIAL

We will pay top dollar for all choice coins and currency that have a value of \$10.00 or more. We will pay you with cash, not promises. Give us a try, THOUSANDS HAVE.

HERES ALL YOU DO

1. Package coins or currency securely and insure for full amount. Mail them to us where they will be inspected upon receipt and a check sent air mail same day to you. Your coins are held in our fully insured vaults until you accept or reject our offer (We have had very few declines.)
2. If your collection is too bulky to mail please send us an itemized list of what you have for sale. We can be in any city within 24 hours to purchase your collection.
3. We invite you to check our Banking and Professional references.



Douglas Weaver

522 GOLDEN TRIANGLE WACO, TEXAS 76710

Engravers - BEP
L. J. Hatch

February 23d, 1883

Sir:

I have to acknowledge the receipt of your note of the 21st inst. making inquiries relative to engravings executed by Mr. L. J. Hatch, of this Bureau. I enclose herewith a list of those executed by him ^(past three years, per letter of Feb. 21 from Brown) during the period mentioned by you. The list covers fifteen subjects; their cost being, for plain proofs, eighty cents; for French India proofs, one dollar and fifty-five cents; and for real India proofs, two dollars and twenty cents.

When your request to be furnished with the same stating the style you desire, and accompanied by the cost, I will take pleasure in sending them to you.

Very respectfully,

/s/ Thos. J. Sullivan

Actg. Chief of Bureau

J. Stanley Brown, Esq.

U. S. Geological Survey

City

(Pages 922 & 923; Letters Sent; Official & Misc., BEP; 1883)

(see over)

Portraits

Secretary Folger

" Goff

" Chandler

" Thompson

" Lincoln

P. M. General Maynard

Prest. Garfield (small and large)

Gen'l. Burnside

Fernando Wood, M. C.

Rush Clark, M. C.

Evarts D. Farr, M. C.

Washington .

Maj. Geo. Croghan

Vignettes

Patent Office

Elongated coins come rolled in different ways

Designs stretch imagination

The intrigue attached to collecting numismatic esoterica often attracts long-time collectors who may even have become experts in other numismatic fields. A case in point — R.H. "Rocky" Rockholt started collecting coins in 1951 or 1952 — but let him tell it:

"My father had accumulated a lot of coins. He gave me one of the little Whitman blue books and started me with Indian cents and Lincoln cents. I started with those and have collected virtually all of the series — small cents, nickels, dimes, quarters, halves, commemorative halves, got into gold and currency. It's just an evolutionary thing. . . . I moved into fractional currency when I lived in New Orleans."

Rocky amassed one of the premier collections of fractional currency which he sold at a Numismatic Antiquarian and Service Corporation of America auction in 1981. While in New Orleans, Rocky also collected Confederate currency. He moved to Minnesota in 1962, and started collecting large-size type notes. In 1973, he wrote the book, *Minnesota Obsolete Notes and Scrip*.

Rocky continues:

"When I retired in 1990, a long-time friend of mine and I were joking and laughing, and I said we should buy an elongated roller machine and a Winnebago. We could go from town to town and stop in, say, downtown Chicago, and sell coins and make gasoline money and hamburger money. We passed it off, but ultimately, I did buy the elongated machine."

Rocky now has a few hundred different dies for his rolling machine. He designed some of these himself and contracted for the cutting of the dies. He bought other dies already prepared by and for other elongated rollers. Rocky, from a varied and lengthy background in numismatics,

EDITORS NOTE: —
THIS IS AN EXCERPT
NOT THE COMPLETE
New-mismatist
ARTICLE!

By Col. Bill Murray

COINS are elongated to mark events or advertise a particular entity, in this case, the Numismatic Literary Guild.



obviously has embraced elongated coins as his primary numismatic activity.

"A funny thing happened yesterday. A nice looking fellow came in and washed his hands and went away leaving his overcoat."

The Story of "Cranky Tom" Hale, And How He Was Captured by John Murray

Submitted
by BOB COCHRAN

Tom Hale was a well-known counterfeiter in the nineteenth century. At the time these events took place, John Wilson Murray was employed as a detective with the Erie, Pennsylvania Police Department. The story of Tom Hale is quoted from *Memoirs of the United States Secret Service*, by Captain George P. Burnham. The capture of Tom Hale by John Murray comes from *Memoirs of a Great Detective. Incidents in the Life of John Wilson Murray*.

The accounts of Hale's arrest differ significantly in the two sources. Both accounts place his arrest at about the same time, early in 1870. Burnham places Hale in Ohio at the time of his arrest, and implies that he was taken into custody by U.S. Secret Service agents. As the title of this article states, Murray recounts his personal experience in placing Hale under arrest in Erie, Pennsylvania. Burnham states that the counterfeit currency in question was 50-cent U.S. fractional currency notes; Murray lists other notes found in Hale's possession.

"Cranky Tom" Hale

TOM Hale was born in 1836, in Saratoga County, NY. His parents died when he was thirteen, and Tom was taken in by a kindly aunt. His aunt owned a large and valuable farm in Saratoga County, and she personally saw to the farm's day-to-day activities. Tom was brought up in relative comfort, and his aunt helped him to receive a good education. When he was seventeen, Tom was placed in charge of running much of the farm for his aunt.

Tom often had occasion to visit the Saratoga County Bank to deposit money and to draw checks and drafts in his aunt's behalf. After a few years, Tom's aunt turned the whole farm business over to him. Sadly for her, it wasn't long after this that Tom robbed her. One day he forged her signature to a check for \$300. The forgery was so good that it passed for genuine, and he obtained the money from the bank. He then collected about \$200 that was owed to his aunt and left for New York City.

Tom gravitated to the "shady" side of the city, and he was soon a leader among the thieves and rogues, planning and executing daring robberies. His sudden departure from Saratoga County aroused suspicion, and the forged check was discovered. He was captured and tried, and upon his conviction he was sent to the State Prison at Clinton for a term of three years.

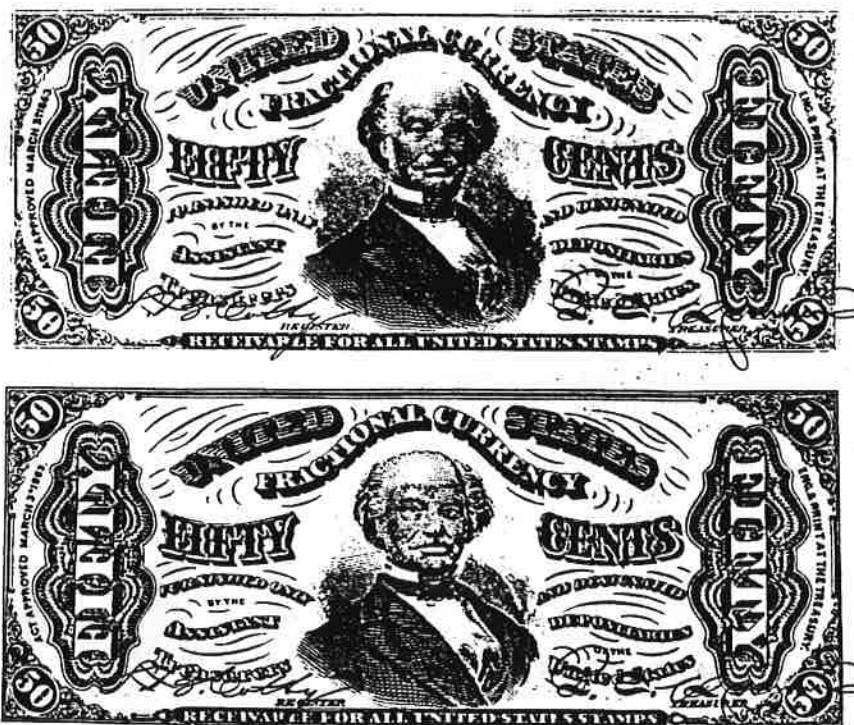
When he was released he immediately resumed his habits in New York City. Hale developed an affinity for gambling, and as much as he was able to obtain by theft he lost at the poker table. One of his favorite hangouts was a bar at 16 East Houston Street, operated by Ike Weber, a known counterfeiter. Tom took a position as bartender in the establishment to occupy his spare time.



"Cranky Tom" Hale, Counterfeiter. He got his nickname thusly—whenever the authorities attempted to obtain a photograph of him, he would "crank" his facial features from normal, altering his appearance.

It didn't take Tom long to become involved with the counterfeiters who frequented Weber's bar. Ike Weber produced counterfeits of the 25 and 50 cents U.S. postal currency (fractional currency issued from August 21 to May 27, 1863) and Hale was part of the group getting it into circulation.

Tom became a wholesaler of Weber's later counterfeit U.S. fractional notes, and one of his dealers was "Pious" John Disbrowe. Disbrowe would go out into the "West" (as virtually any area west of Philadelphia was known then) and establish "agencies," and Hale would then send him the counterfeits to disburse as fast as they could be manufactured. (Burnham describes Disbrowe as "a pimp of the first water. He was ostensibly an active, prominent member of a Methodist Church in New Jersey, leader of a choir, and the head of a nice family. He could exhort and whine, and psalm-sing the leg off a brass monkey.") Disbrowe disposed of the counterfeits to the peddlers, who "shoved" them generously along the lines of the railroads in every direction.



A good candidate for the counterfeit 50 cent U.S. Fractional Currency notes Tom Hale was selling to his dealers and shovers. These impressions appeared in various editions of Heath's Infallible Government Detector. The top note is genuine, the bottom note is a counterfeit; the counterfeit plate for this note is attributed to William Brockway, a known associate of Ike Weber, who supplied counterfeit notes to Tom Hale.

According to Burnham, a "shover" was arrested, and he told the authorities that he had received the counterfeit notes from John Disbrowe. Disbrowe was arrested in Detroit, and he promptly told the police that Tom Hale in New York was his source of notes. A plan was developed (ostensibly by the Secret Service) to get Tom Hale to come out "West" with a supply of counterfeit notes, where he could be captured. Under direction of the authorities, Disbrowe wrote to Hale that he wanted \$3,000 of the counterfeit fractional currency at once, and if Hale would bring it out personally Disbrowe would pay him a premium in "good" money for it, plus a part of his profits already in hand.

Burnham states that Hale took the bait, and started from New York with \$3,500 in counterfeit 50-cent U.S. fractional currency notes (some seven thousand pieces). He was leery of traveling all the way to Detroit however, and arranged to meet an associate in western Pennsylvania, near the Ohio state line. The associate was to convey the counterfeits to Disbrowe. For some reason the associate failed to make the meeting (Burnham implies that the Secret Service had a hand in the associate's failure) and Hale proceeded into Ohio, where he was arrested. He was then taken to Pittsburgh where he was charged with uttering and dealing in counterfeit money.

POKE SOLES, TOM HALE AND JOHN MURRAY

(The following account is quoted from the biography of John Murray.)

Poke Soles was a "shover of the queer." An episode of his life occurred at Erie (Pennsylvania), which reveals now for the first time the story of Tom Hale, a counterfeiter, who subsequently was a side-member of the United States Secret Service. Poke's duties as a shover of the queer [or counterfeit] were to pass counterfeit money.

"In the winter of 1869 and 1870 some \$20 bills that were queer appeared in Erie," says Murray. "Fred Landers kept a restaurant in Erie, and one day I happened to drop in, and he told me of a fellow who had been in and ordered a light lunch and paid for it with a \$20 bill, and who bought a drink as he went out and offered a second \$20 bill to the bartender, who said he could not change it. I looked at the bank-note Landers had taken. It was a clever one, but it was queer. My experience with counterfeiters in the special services of the United States was of instant value. Landers described the man. I spotted him at the railroad station and got him, but did not find any of the stuff or counterfeit money on him. He was simply a shover, one who passed the money, and he received only a couple of \$20 bills at a time.

"Few classes of crime are organized so scientifically as counterfeiting. The man who makes the plates never does business with the men who pass the money. The plate-maker is an engraver who usually gets a lump sum for his work. Those who print the money are the manufacturers and they sell the queer in wholesale quantities to dealers, who sell to retail dealers, who have their shovers out passing the money. The man I got was a shover. I locked him up and in searching him I found the name 'Tom Hale, New York.' I reported to Crowley [Murray's boss] and sent a telegram addressed to Hale and reading: 'Come on. I am sick. Stopping at Morton House. Room 84.'

"I made all arrangements with the hotel clerk to get track of any one who called and asked for the man in room 84. No one came. I kept the shover, whose name was Soles, locked up in gaol. Landers and the bartender had identified him. A week passed. It was the winter of 1870 and the trains were blockaded and it snowed and blew and delayed all traffic. On the ninth day a nice looking man walked into the Morton House. It was bitter cold and yet he had no overcoat. He asked for Mr. Soles in room 84. I was in the hotel at the time; the clerk tipped me and I walked over and collared the stranger. I took him down and searched him and locked him up. He had several hundred dollars of good money on him, but no counterfeit money. I intended to hold him while I hunted for his baggage, for at least a man dressed as he was, would have an overcoat somewhere near.

"The next morning Officer Snyder and I went to the railroad station and began, from there, a systematic search for a trace of the stranger's overcoat. In the morning we were in the habit of stepping into John Anthony's German saloon for a mug of beer. On that morning Anthony said: 'A funny thing happened yesterday. A nice looking fellow came in and washed his hands and went away leaving his overcoat.'

"Let me see it, John,' said I.

"Anthony produced the coat. In the first pocket in which I thrust my hand I found a roll of something wrapped in a handkerchief. I drew it out and found \$1,000 in counterfeit \$20 and \$100 bills, with coupons attached to the ends. They were such excellent counterfeits that I later passed one at a bank as a joke and then told them of it. I took the coat to the lockup.

"Hello, Hale; here's your coat,' I said.

"All right. Thank you,' said the stranger, who was Tom Hale.

"I said: 'That's your coat, Tom?'

"Oh, yes,' said he.

"Then I hauled out the counterfeit money from the pocket. He then said it was not his coat. I made him put the coat on and it fitted him perfectly. Then John Anthony identified him as the stranger who had left the coat in his saloon.

"Soles was held for passing counterfeit money. He pleaded guilty and was sent to Alleghany [Prison] for five years. The United States authorities took Hale to Pittsburgh, then to New York, and then to Washington."

Mr. Wood, then the Chief of the Secret Service, felt that Hale would be valuable in fingering some of the manufacturers and large dealers in counterfeit currency in New York. Hale promised faithfully to aid the Government officials, and he clearly understood that if he didn't cooperate he would be returned to Pennsylvania to stand trial.

When Colonel Whitely was appointed Chief of the Secret Service (replacing Wood), he looked into this and other pending cases, and quickly ascertained that "Cranky Tom" had not performed his promises to the Government, but on the contrary had been allowed to run free, by connivance with the

old officers (of the Secret Service), and was then actually in the counterfeiting business again. Col. Whitely promptly arrested him, and sent him to Pittsburgh where he was permitted to withdraw his former voluntary plea of "guilty." A new trial was accorded him, at the instance of the new Chief of the Division. (Murray states that when Whitely sent for Hale and told him he was doing nothing, "Hale practically told Colonel Whitely to go to hell.")

His trial came before Judge McCandless of the Western District of Pennsylvania, in October 1870. In the course of "Cranky Tom's" trial, it was shown that he had been arrested in another district (Erie), and a motion was made by the defense to quash the indictment against him, on the ground of non-jurisdiction of the court at Pittsburgh. But the U.S. Dist. Attorney, H. Bucher Swoope, Esq., claimed that it had also been already shown upon the evidence that Hale had passed through the State of Pennsylvania with this counterfeit money in his possession; and he asked the jury, by their verdict, to assert that the state should not be made a highway for the conveyance of counterfeit money, anywhere.

Tom's lawyer, in closing for the defense, maintained that his client was not guilty, as set forth in the indictment against him.

"What is he *here* for, then?" pertinently inquired the Judge. "It is sufficient that he is here, and that the heinous charges against him are fully supported by plenary proof."

Tom was speedily convicted and sentenced to ten years' imprisonment in the penitentiary at Alleghany City. He was also to pay a fine of \$2500; Hale was to stay committed until the fine was paid.

Murray provides us with the final word on Tom Hale: "The last time I saw Tom Hale was about 1884. He was keeping a dime lodging house on the Bowery in New York at that time. He fared far worse in his sentence than did Poke Soles who stood up like a man when he was caught and did his time. I understood Hale never set foot in Erie again and vowed he never would. The most disappointed man was John Anthony, when the owner of the overcoat was found and the \$1,000 turned out to be queer."

(Note: The \$100 notes "with coupons attached to the ends" referred to by Murray as having been found in Tom Hale's overcoat are quite interesting. The description applies only to the three-year interest-bearing notes, which were issued under the Acts of July 17, 1861, June 30, 1864 and March 3, 1865. These notes were the only United States issues which had coupons attached to the notes. The coupons were used to collect the interest on the notes at six-month intervals, and the last installment of interest was collected upon presentation of the note itself. Because the interest was payable to the bearer of the note rather than to an individual, these notes circulated as did the other legal tender notes of the period. However, these notes created some problems for the Treasury Department; according to a December 1864 report from Secretary Fessenden, "though withdrawn to a certain extent while the interest is maturing, they are liable to be periodically rushed upon the market." These comments would no doubt refer to the northern public's confidence in the Union as the Civil War raged. Many of the three-year interest-bearing notes were withdrawn and replaced with the compound interest notes of the Act of June 30, 1864. Further, the interest accrued on the last issue of three-year interest-bearing notes ceased on July 15, 1868. Since these notes were worth more than their face value at the time of this

story (1870), a person holding one was, in effect, losing money by not redeeming the note. As of July 1, 1869 there were some \$1,201,400 in these notes outstanding, consisting of \$34,900 of the 1861 notes and \$1,166,500 of the 1864 notes. These totals notwithstanding, it would seem to be at least unusual for anyone to be holding these notes as late as 1870. Detective Murray's comment about passing the counterfeit note (and we assume he left the coupons attached) as a joke should not go unnoticed. In retrospect we would think that the bank personnel would express some curiosity over the note.

Although Murray is quite specific in his description of the "\$100 bills with the coupons attached to the ends," none of the several contemporary and later counterfeit detectors consulted mention the \$100 three-year interest-bearing notes as having been counterfeited successfully.)

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ACKNOWLEDGMENTS:

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What Is A "Bank"?

by ROBERT D. HATFIELD

WHILE it may seem silly to ask "What is a bank?", the exact answer is not as clear as you may expect. In earlier days the term "bank" included the custom and justification for the bank to extend facilities to public and mercantile interests. The first banks centered their activities on trade and industry in general.

In the early days of our nation, banking powers were not clearly defined. There were opportunities for banks to increase their business in almost any direction, even under charter provisions. The only specific prohibition that stands out was the holding of real estate, except what was needed for the exact bank location.

It was not until after 1825 that state laws began to restrict what a bank could or could not do. Not all these restrictions were followed, supervised, or even subject to penalties for any failure to comply. To a great extent the early charters and laws relied upon self-regulation. Thus the hope was that the individual bank would comply with the few laws, or have the integrity to honor the public's trust.

As might be expected, the early banks varied in style, character, and their willingness to follow custom. The first banks were basically whatever their owners or managers wanted them to be, that being:

a place where a depositor might expect safety;

a place where an investor could realize a profit;

or a place where loans might be obtained for a vast variety of personal or business reasons.

In other words, the early banks were "a blind shot in the dark" (Dewey 1910).

As time and experience in banking passed, certain worries and concerns came to be addressed, and sometimes ignored, by the many state legislatures and the federal government. The most prominent concern was over the chartering of these organizations called "banks," and whether they must be incorporated. We must remember that many individuals performed the functions of a bank in the early days of our nation. They extended credit, sometimes took deposits, and often brokered notes or bills from other locations. These individuals were private bankers, or more appropriately called, "private brokers." Basically, they did whatever they thought was necessary to have a business and still profit.

As each state experienced the good and the folly of what a "bank" could be, each state enacted laws, and some created bank commissioners to handle banking as an industry. Very few of these laws survive today except as historical notations. What did pop-up in many states was the enactment of "free-banking"—the free establishment of a banking concern. In a sense "free-banking" still exists to this day, as just about anyone can start a bank with enough capital and reserves.

Thus banking, and banks in general, could be said to be an amalgamation of investments (capital), deposits (credits), and extensions of loans (assets). The modern bank is little more than a focus of the movement of money; a place to facilitate trade and commerce; a storehouse of value; and the center stage for our fiscal world. The "bank" is both the beginning point and the end point for commerce, trade, and the flow of our "medium of exchange"—our money.

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Often on stamps, Capitol's statue of 'Freedom' to get major facelift

One of America's most striking symbols and stamp subjects is getting a complete overhaul for the first time in 130 years.

On May 9, a giant cargo helicopter used a special support frame to gingerly remove the *Statue of Freedom* from its lofty perch nearly 300 feet above ground level atop the dome of the U.S. Capitol.

Erected at the height of the Civil War, the 19-foot-tall, 7½-ton bronze maiden has been the symbolic protector of Congress ever since.

Often abbreviated as *Freedom*, the statue is the best-known work of U.S.-born stonemason and artist Thomas Crawford, who also designed the massive bronze doors for the main entrance to the Capitol and the Washington Monument in Richmond, Va.

Crawford, who died in London, England, in 1857, didn't live to share in the acclaim that accompanied the installation of his masterwork. The allegorical figure was hoisted to the top of the dome Dec. 2, 1863 — more than seven decades after George Washington set the Capitol's cornerstone in place.

Crawford's *Freedom* appeared on U.S. stamps beginning with a large number of low-value newspaper and periodical stamps.

These began with 2¢-10¢ denominations printed by Continental Bank Note Co. in 1875 (Scott PR9-15) and by American Bank Note Co. in 1879 (PR57-62), followed by a new 1¢ stamp that was added in 1885 (PR81).

The Bureau of Engraving and Printing produced 1¢ to 10¢ values in 1894 (PR90-94), and used a revised design to print stamps both without and with double-lined watermarks in 1895-96 (PR102-05, PR114-17).

The stamp on the left in Figure 1 is from this final series of newspaper and periodical stamps, an 1895 10¢ denomination (PR117).



Figure 1. The Capitol dome's *Statue of Freedom* as depicted on an 1895 10¢ newspaper and periodicals stamp (left) and a 3¢ commemorative of 1950 (right).

The complete statue wasn't prominently featured again on a U.S. stamp until 1950, when it was depicted on one of four 3¢ com-



Figure 2. The unusual helmet of the statue, reproduced on this 1923 \$5 definitive, has been struck repeatedly by lightning — just part of the wear and tear it has endured in 130 years on the dome of the U.S. Capitol.

memoratives (989) marking the 150th anniversary of the establishment of the national capital at Washington, D.C. The stamp is shown on the right in Figure 1.

As Figure 2 shows, the shoulders and head of the statue, adapted from a photograph of a reproduction, appeared on the \$5 high value of the 1922-23 definitive series (573).

Its headgear is quite distinctive, and was described recently by the *Los Angeles Times* as "Encircled by stars; its crest is composed of an eagle's head, feathers and talons, a reference to Native American costume."

One of the reasons the statue needs refurbishing, the report noted, is that it "has been struck by lightning hundreds of times, and lightning strikes have sometimes melted the points of the helmet atop the goddess' head."

Specialists plan to use acrylic lacquer and wax to protect the cleaned and repaired monument, which "has become discolored and corroded, with extensive pitting on its surface and cracks in its base."

If all goes well, the fully renovated statue should be ready to return to its post of honor by Sept. 18, the 200th anniversary of the laying of the Capitol cornerstone. No U.S. stamp has been announced for this event.

The Capitol most recently appeared on the 29¢ District of Columbia Bicentennial issue of 1991 (2561), although the statue is more easily seen on the 50¢ Switzerland commemorative issued earlier that year (2532). ■

By Ross K. Baker

Entry of women into federal job world—at a price

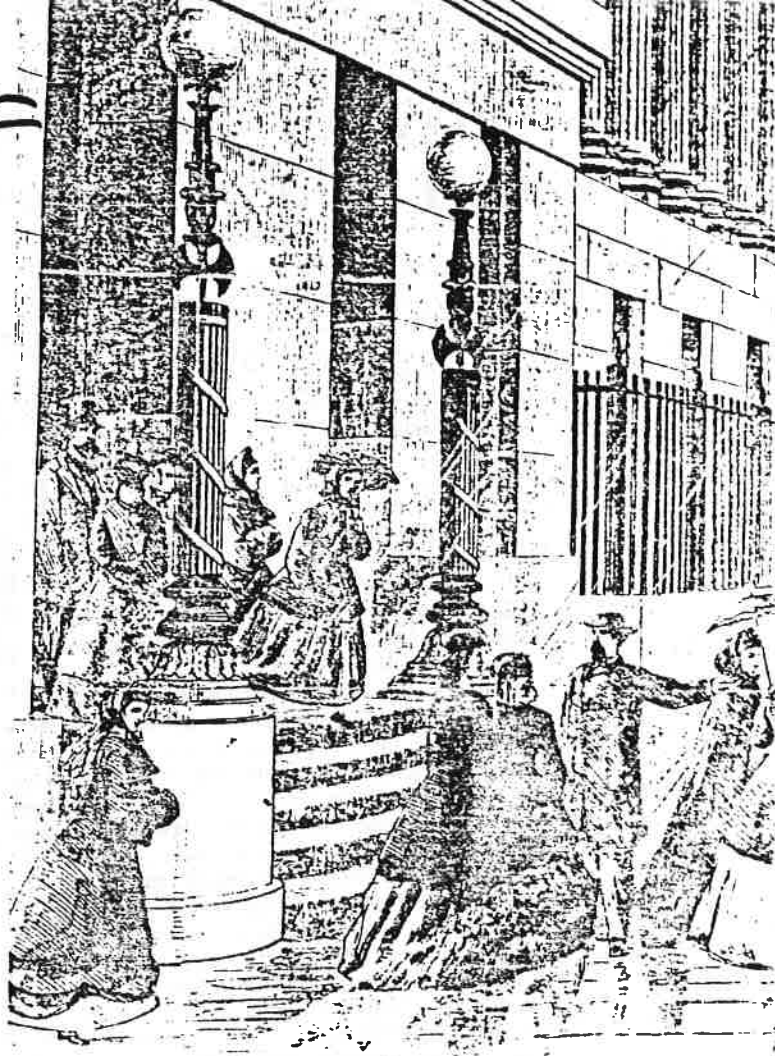
In 19th-century Washington, government doors open up but the long putdown begins with poor pay, menial jobs and hostility from men

It was called, innocently enough, the "wetting room" and was tucked under the eaves of the Treasury Building. The roof sloped down sharply so that those standing at the long troughs wetting down the paper could not work in an upright position. During the summer months, when the sun beat down unrelentingly on the roof, the combination of the heat and the vapors rising from the troughs caused many workers to collapse from heat prostration.

Elsewhere in the building was the Division of Issues. After the sheets of paper had been wetted and printed and the currency cut into individual bills, 40 people counted out the newly printed dollars. With the workday running from 9 A.M. to 3 P.M. with a half-hour for lunch, as many as 50,000 bills passed through the hands of a single counter—9,090 notes an hour, 150 each minute, and two and a half each second.

Across town, 15 blocks away, stood the Government Printing Office (GPO). The third floor of the building was given over to the binding of government reports. The standard binding was morocco leather with the title stamped in gold leaf. The gold leaf came in tissue-thin sheets to be applied to the bindings with stamps heated by gas. The only source of ventilation would have been the windows, but they could not be opened lest the fragile foil be blown away by the wind. So the windows remained closed and the workers performed their monotonous chores with no relief from the heat and fumes.

The volumes then went to the "stitching room"



Hundreds of women workers poured from Treasury Department onto rainswept, gaslighted street in

where a worker sewed the books by hand at a piecework rate of 30 cents each. On a good day, one could stitch nine volumes.

The work was punishing both at the GPO and the Treasury. It was performed by women. The pay was marginal. The year was 1883, Chester A. Arthur was President, and the employment of women by the federal government had come of age. The Civil Service Act had become law on January 16 of that year, and for the first time women were encouraged to compete directly with men for jobs in the federal government. The Pendleton Act, as the Civil Service Act was popularly known, represented for women more of a point of departure than a destination. Despite the great victory that the Act represented in beginning to vanquish the spoils system, real equality was still a long way off.

Women never were totally excluded from government work. From time to time a woman would secure appointment as a postmaster in some country town. But in terms of the federal work force in Washington, the Republic was almost 75 years old before women made their presence felt in the capital. When Harriet



at the end of a grueling day of tedious labor—often in airless, crowded, dingy and ill-lighted rooms.

Martineau came here from England in 1832, she found that only seven occupations were open to American women. Government service was not among the seven, which tended to run a narrow gamut from the so-called "needle trades" to factory workers and primary schoolteachers.

To say that women broke into government as the result of a protest movement is not really accurate. The Women's Rights Convention at Seneca Falls, New York, in 1848, issued a broad indictment of the political, social and economic thralldom of women and demanded equal rights, but specific employment goals were not laid down. There were no marching orders to besiege the bastion of male dominance that was the federal service, but it undoubtedly emboldened some women to storm the ramparts on their own—occasionally with great success.

One of the first to arrive was Clara Barton (p. 88), a former schoolteacher with strong, clear penmanship, who secured a job as a clerk-copyist, then the next best thing to a Xerox machine, at the Patent Office in 1854. Soon, the industrious future founder

of the American Red Cross became a confidential clerk to the Superintendent of Patents at an annual and heady salary of \$1,400. She was certainly one of the first women (she believed herself to be the very first) appointed to a regular position in a federal agency with the salary and status of a man.

The work, wading through huge volumes of technical data and copying it by hand into thick ledgers for future reference and preservation, was painstaking and arduous. At the outset, she was paid for piecework—ten cents per 100 words—and frequently she worked at home until midnight.

She once described her career at the Patent Office, where she and other women were the objects of intense discrimination, as "a weary pilgrimage which it was necessary for me to accomplish. . . . It has been a sturdy battle, hard-fought, and I trust well won." In 1861, she left the Patent Office for the battlegrounds in Virginia.

It was the Civil War that accelerated the trend toward female employment, initiated by the process of industrialization. In 1861 Washington was more than simply the capital of an embattled government. It was also the base of operations for federal forces engaged in Virginia and Maryland. As units from all over the country converged on Washington, they were soon joined by huge numbers of women who were drawn to the capital by a variety of impulses: "Women seeking their husbands; women, whose husbands were dead, left penniless with dependent children. Young girls, orphaned and homeless, with women adventurers of every phase and sort, all, sooner or later, found their way to Washington." This was the description of wartime Washington provided by Mary Clemmer Ames in her *Ten Years in Washington*, and it evokes the feeling of desperation and frenzy that afflicted those women who had been displaced by war.

The government had absolutely no plans for the employment of these women, nor did it have any cause to deny them employment. Like so many other monumental social changes, the massive employment of women by the federal government was circumstantial and unplanned, rather than the subject of detailed and exhaustive preparation. The most forceful argument was the simple fact that since so many men had been lost to the civilian labor force, it was a matter of expediency to hire women.

If any male official deserves credit for a reasoned and calculated approach to female employment, it was the man appointed by President Lincoln as Treasurer of the United States, General Francis Elias Spinner.

The author, a professor of Political Science at Rutgers, once served as an aide to Senator Mondale.



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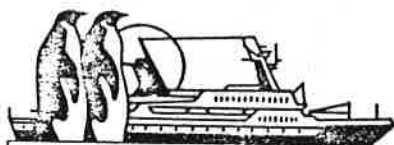
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Mrs. Stephen Brown was "greatest living expert" at identifying mutilated currency.

In 1862, Spinner confronted Salmon P. Chase, then Secretary of the Treasury and later Chief Justice of the United States, with the irrefutable argument that "A woman can use scissors better than a man, and she will do it cheaper. I want to employ women to cut the Treasury notes." Chase agreed to Spinner's plan, and almost overnight the General was besieged by scores of women who desperately needed work. With commendable fairness Spinner, himself the father of three girls, distributed the jobs with impartiality and all deliberate speed. He found money in the Treasury budget to hire the women at \$600 per year as "temporary clerks." In 1864 Congress appropriated money specifically for the salaries of these women. Spinner's action, however, had the effect of luring even more women to Washington to vie for the newly created posts.

Not every department head was as evenhanded as General Spinner in meting out jobs to women. Political favoritism rather than competence or even need became the touchstone of female employment by the federal government. As soon as the Treasury posts and those in other agencies became the subject of Congressional appropriations, Senators and Representatives began to insist that job applicants get their clearance and approval before a woman could be considered for a post. Despite the inhibitions of the prevailing Victorian modes of the time, some observers hinted broadly that sexual favors were often demanded of women by members of Congress as the consideration for a government job.

As demeaning as this mandatory patronage system was, it represented at least a recognition of the appropriateness of female employment but there was still

a wide discrepancy in salary. Congress' '864 appropriation had set a maximum salary of \$600 a year for female clerks, while male clerks earned from \$1,200 to \$1,800 per year. General Spinner attempted to redress this form of discrimination by adhering, as much as possible, to equal pay for equal work.

Some improvement—but no teapots

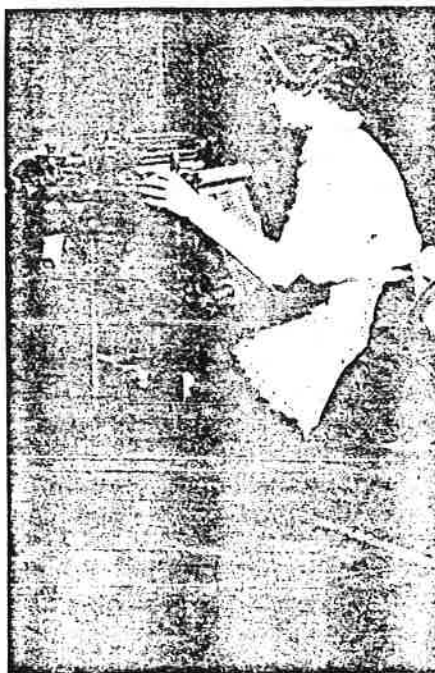
The close of war brought some betterment in the conditions of female employment in Washington. In 1870 Congress passed a law permitting department heads to pay women on an equal basis with men for identical work, but the provisions were purely discretionary. This grant of discretion had the effect of creating a kind of hierarchy of female employment. Liberal and well-intentioned department chiefs tried to establish genuine parity. The less enlightened ones actually succeeded in reversing the trend of gradual reform which the war had brought. Hugh McCulloch, who served as Andrew Johnson's Secretary of the Treasury, presided over an expansion of employment opportunities for women in his department, but determined that their presence should be as unobtrusive as possible. According to Mrs. Ames, the female employees at the Treasury had taken to brewing tea at their desks and storing the pots and strainers on the windowsills. McCulloch burst into a fury and ordered the women to conceal their utensils—this at the time when the spittoon was accepted as a prominent office fixture in and out of government.

Men took out their resentment against women with a number of other unpleasanties. Clara Barton reported that men lined up in the halls, stared, blew smoke in their faces, spat tobacco juice, and made catcalls and obnoxious remarks.

"I walked rapidly, seeing only their boots," she said of running the gauntlet.

The practice of permitting department heads maximum discretion in the terms of employment of their female personnel produced some unusual results. Women working at the Treasury or the GPO tended to find themselves in menial or basic clerical positions. These women, typically, came from working-class families or else they were the wives of enlisted men killed in the war who had thrown themselves on the mercy of a Congressman for a job. In the War Department

and in the Office of the Quartermaster-General (QMG), in particular, the social complexion of the female work force was quite different. Jobs in that agency were set aside for the widows, daughters and sisters of high-ranking officers killed or injured in the line of duty. They were, to use the decorous term of the day, "gentlewomen." While their sisters at



Apron-clad worker ran stamp-perforating machine at the Bureau of Engraving.

Treasury, right around the corner, worked largely as a vast and undifferentiated labor force, the women at QMG had private offices and were generally employed in entering and copying correspondence. Many of these cultivated and educated women "moonlighted" as correspondents for journals, writing poetry, and doing a variety of other tasks to bring their income up to the level of their better-paid colleagues. But even within the Treasury Department, where the use of women was most widespread, the social composition varied from bureau to bureau.

At the very lowest level there was the "broom brigade," the ungraded and unclassified janitorial staff composed of the widows of private soldiers and of black women. In the latter group were a num-

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ber of young women who were working their way through Howard University on a monthly pay of \$15. By 1880 there were 90 women in Treasury's custodial force. But among the almost 1,000 women employed by Treasury in 1880, there was, unquestionably, an elite group. Among the select were the daughters of Chief Justice Roger B. Taney, who had died in 1864, and Robert J. Walker, who was James K. Polk's Secretary of the Treasury, the widows of governors, of war heroes, as well as many a future wife of other prominent political officials.

It was estimated that in 1880 about 50 of these well-born women worked in the "beautiful apartments," as one observer described offices of the Internal Revenue Service, doing everything from copper-plate engraving to answering letters.

Despite the almost-universal practice of keeping women in low-level positions, some women, by dint of their ingenuity or unusual skills, were able to transcend the limitations placed on them. A female mathematician at the Treasury Department was a person of such surpassing genius that she was given the responsibility for preparing virtually all of the department's statistical reports to Congress. Members of Congress themselves, baffled by the then modest inundation of tables and charts, often called upon her to explain and interpret figures for them. Her office mate was a man charged with the same responsibilities but incapable of discharging them because he was usually drunk. When his drinking finally inca-



Mary E. Hoyt, top test scorer, became the first woman Civil Service appointee.



Clara Barton believed she was first to get salary and status equal to a man.

pacitated him and he was taken off to the Government Hospital for the Insane (renamed St. Elizabeth's Hospital in 1921), the supervisor of the division assigned all of his work to his female colleague—but provided no increase in salary for her.

Some women did receive the credit and renown that had been denied the gifted female mathematician. For within the narrow occupational path to which they were confined, their talents were indisputable and indispensable and could not be hidden from public view. Working in the Redemption Division of the Treasury Department during three decades was Mrs. Stephen Brown, the greatest expert in identifying burned, mutilated and unrecognizable currency which had been submitted to her agency for redemption. Once, Mrs. Brown was presented with a hardened brown lump sent to the Treasury Department by an Iowa farmer, who claimed that the substance represented six five-dollar bills that had been eaten by his goat. After slaughtering the offender, the farmer had extracted the contents of its stomach and sent them to Washington, where they were turned over to Mrs. Brown. In two hours she had separated the particles of currency and ascertained that the goat had indeed swallowed the money, and authorized the sending of six brand-new five-dollar bills to the farmer.

Another female expert saved \$185,000 which had lain in a paymaster's trunk at the bottom of the Mississippi River for three years after the steamer *Robert*

Carter was sunk. The currency was soaked, rotten and obliterated, but not only did she determine the denominations but the serial numbers as well. The express company responsible for the original shipment gave the Treasury employee \$500 in recognition of her services. Still another female member of the team was able to identify and redeem a million dollars in currency reduced to ashes by the great Chicago fire of 1871.

The detection of counterfeit money also fell within the purview of the Treasury Department's female sleuths. General Spinner would not trust the job to men because he believed that women had a superior ability to detect bogus currency.

But if skill was a salient quality of Spinner's female lieutenants, rectitude was another. The case of Sophia Holmes illustrates the fact that the Treasurer's faith was not misplaced. Mrs. Holmes was the widow of a black soldier and former slave killed in the Battle of Bull Run.

Money in the wastebasket

She was given a job as a charwoman by Spinner and worked in the Division of Issues to support her two small children on a salary of \$15 a month. One afternoon while cleaning an office she found \$200,000 in greenbacks in a hamper of waste paper. All the employees had left for the day except for the watchman and the legendary Spinner himself, who slept in his office at the Treasury every night in order to ensure the absolute safety of the people's money. Mrs. Holmes feared that if she reported the find to the watchman he would take the money and blame the theft on her. So all night long she hovered over the hamper waiting for Spinner to make his rounds, at which time she reported the cache to him directly. "The watchdog of the Treasury," as Spinner was nicknamed, reprimanded the careless officials and conferred on Mrs. Holmes the title of "janitress" at an annual salary of \$660. She thus became the first black woman ever to receive an official appointment to the service of the U.S. government. Although Mrs. Holmes had demonstrated her integrity to an astounding degree, her salary was considerably less than that given to a man entering the Treasury at the lowest ungraded rank.

By 1883, the clamor for reform of the patronage-ridden federal service had be-

come so intense that Congress passed and President Arthur signed the Civil Service Act which made a limited number of government posts in Washington subject to competitive examinations.

When the test was first administered that year, the highest score was achieved by Mary Francis Hoyt, a Vassar College alumna whose appointment to a \$900-a-year clerkship took effect on September 5. Still, the old 1870 measure which gave discretion to agency heads continued in force. This meant that although women could compete for federal jobs on a basis of equality with men, they had no assurance they would be considered for the jobs, let alone be given equal pay.

In a particularly insidious way, technology, too, worked to restrain women's progress. In 1868, an eccentric printer named Christopher Latham Sholes secured a patent on a typewriter. It was another six years before a practical commercial design went on the market, and even more years before the government made large-scale use of these machines. Just at the time when the remarkable Mary Hoyt was knocking the top off the civil service exam, the typewriter was coming into common use in the offices of the federal government. According to the 75th-anniversary history of the U.S. Civil Service, *Biography of an Ideal*, "women quickly caught on that they were well suited for typing. Typing and shorthand schools sprang up almost overnight. . . . By 1894 women were receiving about 14 percent of government appointments to typists' positions, and this percentage rose to 25 by 1914." (Today, according to the latest statistics on the number of clerk-

typists working in government jobs, women outnumber men by a vast majority—73,250 to 3,415.)

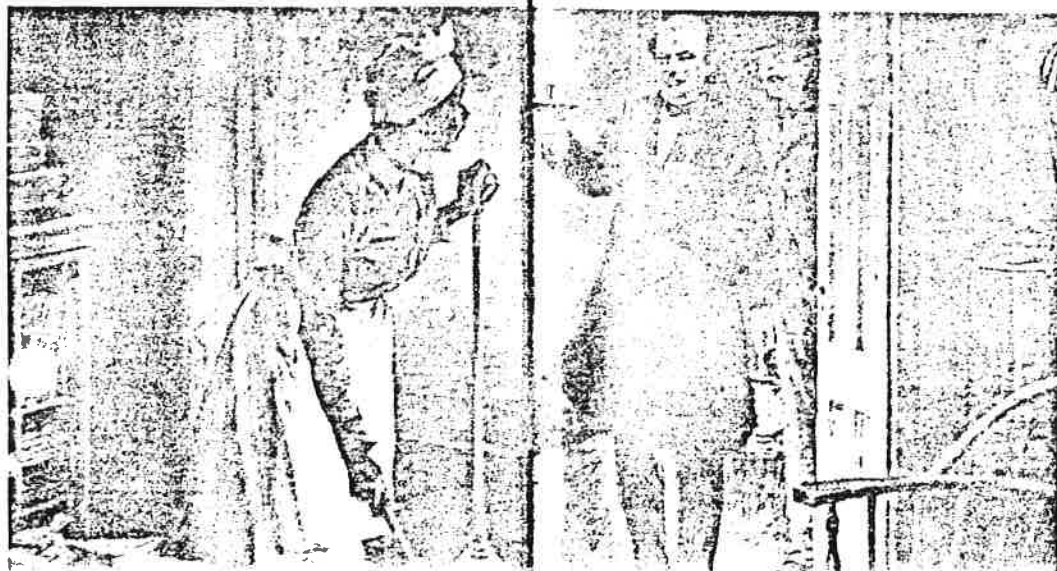
There is a historical interpretation which holds that the invention of the cotton gin gave slavery a new lease on life when it was on the verge of dying out in the late 18th century. It would be wholly appropriate for American women to look upon the typewriter the same way that American blacks regard the cotton gin—a device which covered exploitation with the fig leaf of increased productivity. With the popularization of Alexander Graham Bell's telephone, which he demonstrated at the 1876 Centennial Exposition, the occupational fate of women in government seemed sealed. While those not in the labor force continued to be restricted to the traditional realms of "children, cooking and church," the female civil servant usually was limited to keyboard and switchboard.

The surge in female employment at the time of World War I was followed in peacetime by bureaucratic retrenchment, which obliterated virtually all the gains that had been made by women. Again, as in the case of their short-lived advances during the Civil War, a temporary labor shortage had opened doors that were quickly closed when Johnny came marching home again.

The problem of sex discrimination in federal employment is not, of course, a quaint 19th-century quibble. Even to the present, nearly three-quarters of the women in government posts have clerical and technical jobs that pay less than \$10,000. Women may have come a long way, but they've got a long way yet to go.

Sophia Holmes, \$15-a-month charwoman, found cache of \$200,000 in wastebasket

and stood guard until U.S. Treasurer on his regular nightly rounds took over.



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